

James D. Boone.
Warren G. Wieand.
Albert R. Behnke, jr.
Omar J. Brown.
Jasper S. Hunt.
Marshall O. Boudry.
George W. Dickinson.
James J. V. Cammisa.
Francis G. Gleason.
John R. Weisser.
Zack J. Waters.
Francis W. Dwyer.
Harold E. Beasley.
Kenneth H. Vinnedge.
Milton R. Wirthlin.
Thenton D. Boaz.
William L. Berkley.
Warren E. Klein.
Norris M. Hardisty.
Everett N. Jones.
Connie H. King.
Cameron L. Hogan.
Gerard B. Creagh.
Brooks L. Roberson.
Anselm C. Hohn.
Thomas Q. Harbour.
James G. Neff.

MARINE CORPS

Corpl. Alva B. Lasswell to be second lieutenant.

POSTMASTERS

CALIFORNIA

Cecil J. Brown, Albion.
Frank N. Blagen, Calpine.
Margaret E. Bailey, Fort Jones.
John M. Francisco, Los Altos.
John J. Freeman, North San Diego.
Clarence L. Templeton, Palm Springs.
Charles F. Gailmann, Pinedale.
William F. Shuck, Woodlake.

ILLINOIS

Mary A. Hannan, Ohio.

INDIANA

Samuel E. Ellison, Andrews.

MINNESOTA

Martin S. Kindseth, Goodhue.
George W. Hanson, Kenyon.
Roy J. Stroud, Mabel.

NORTH CAROLINA

Olivia J. Prescott, Ayden.
Eula B. Greene, Waterville.

OHIO

Katherine Matson, Maynard.

OKLAHOMA

Zeb King, Avant.
Viola B. Mason, Quapaw.
Clara M. Ingram, Slick.
Sallie M. Cooper, Snomac.
Agnes H. Lockard, Tuskahoma.

OREGON

Adelle M. March, Myrtle Creek.

VIRGINIA

Edgar E. Rawlings, Capron.
Edward F. Raiford, Holland.
Walter W. Blair, Ivanhoe.
Robert W. Grove, Max Meadows.

WITHDRAWALS

Executive nominations withdrawn from the Senate June 7 (legislative day of June 4), 1929

TO BE FIRST LIEUTENANTS

Second Lieut. William Hill Lamberton, Infantry, from May 23, 1929.

Second Lieut. George William Busbey, Cavalry, from May 29, 1929.

Craig B. Johnson.
Clarence L. Blew.
Harold I. Brown.
Herbert G. Shepler.
William P. Stephens.
Jack R. George.
Ferrell H. Johnson.
Edward C. Kenney.
John D. Foley.
Wadeeb S. Rizk.
Garland A. Gray.
Duncan C. McKeever.
Barton R. Young.
Benjamin N. Ahl.
Russell W. Wood.
Charlie M. Mathias.
Roland G. Vaughan.
Rafael A. Vilar e Isern.
Julian M. Jordan.
Lester L. Arntsen.
Charles M. Parker.
William Brecher.
James R. Sayers.
Irving D. Litwack.
William C. Baty, jr.
Vincent Flynn.

HOUSE OF REPRESENTATIVES

FRIDAY, June 7, 1929

The House met at 12 o'clock noon and was called to order by the Speaker.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Almighty God, while angels praise Thee we would seek Thy favor. O Thou loving Father, whose open hands give blessings of compassion and forgiveness, lift us into the sunlight and bid us face the open sky; inspire us with the broad vision. Keep us in perfect proportion and in complete contact with Thee. Bless every silent advance, every defense of the truth, every combat with sin, and every triumph over wrong. Dear Lord God, do Thou make the glorified cross the undisputed throne of mankind. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

FREIGHT RATES ON WHEAT FOR EXPORT

Mr. HOWARD. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. HOWARD. A few days ago, erroneously or otherwise, a resolution which I introduced, House Joint Resolution 95, was referred to a nonfunctioning committee. I think the resolution was properly referred, but my parliamentary inquiry is, Would it be right and proper for me now to ask the pleasure of the Speaker to refer this resolution to a functioning committee—for instance, the Committee on Agriculture?

The SPEAKER. The Chair is not aware of the subject matter.

Mr. HOWARD. The resolution instructs the Interstate Commerce Commission to immediately put into effect the same rates on wheat for export that are now granted to steel products for export.

The SPEAKER. The Chair thinks it would not be good parliamentary procedure to make such a reference.

PERMISSION TO ADDRESS THE HOUSE

Mr. CLARK of Maryland. Mr. Speaker, I ask unanimous consent that on Monday next, after the reading of the Journal and the disposal of business on the Speaker's table, I be permitted to address the House for 30 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

ADDRESS OF HON. ROBERT S. HALL

Mr. COLLIER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting an address by my colleague, Mr. HALL, of Mississippi, on the 4th day of June before the United Daughters of the Confederacy on Jefferson Davis.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. COLLIER. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include an address by Hon. ROBERT S. HALL, of Mississippi, on June 4, 1929, before the United Daughters of the Confederacy on Jefferson Davis.

The address is as follows:

JEFFERSON DAVIS

To the members of the United Daughters of the Confederacy, ladies, and gentlemen, I esteem it one of the greatest honors yet conferred upon me to receive an invitation from you to deliver an address on the one hundred and twenty-first birthday of the greatest Mississippian, Jefferson Davis.

I am mindful there is very little I can say of this great man that has not already been said, and been said by speakers more able than I.

Jefferson Davis stands without a superior as a soldier, statesman, and martyr. He came from a great lineage. He came from two racial stocks unexcelled in the annals of history for bravery, honesty, and fidelity. On his paternal side he came from the Welsh and on his maternal side from the Scotch. His grandfather immigrated to America and settled in Pennsylvania. In those early days the trend of immigration was southward, and as an ambitious young man we find him in South Carolina. True to the fidelity of his race, he shouldered arms in defense of America in the American Revolution. He was the father of an only son, Samuel Davis, who grew into manhood during the formation of American ideals and American principles. This son married a Scotch lady, and after the birth of eight children of this union we find he moved to Kentucky and there was born the president of the Confederacy. It is interesting to note that soon after his birth, and within a few miles therefrom, was also born one of the great Presidents of the United States, Abraham

Lincoln. Each was born in the pioneer regions and each grew into manhood during the hardy pioneer days of this Republic. When Jefferson Davis was less than 1 year old his father and the large family left Kentucky and located near Woodville, Miss., where young Jefferson Davis attended the neighborhood school. At the age of 14 he was entered in Transylvania College, Louisville, Ky., and there he remained until he was 17 years of age, when he was appointed a cadet in West Point Military Academy by Congressman Rankin, of Mississippi. It seems that he and Abraham Lincoln were both tutored in the rugged pioneer honesty and virtue that prevailed in that epoch. American history does not record the lives, the service, and the worth of any two characters whose virtue, honesty, and chivalry surpass that of these stars of American genius.

Providence seems to have endowed Jefferson Davis with all the attributes of greatness—in personal appearance, in demeanor, in brilliancy, in oratory, military genius, and statesmanship. He seems to have received his full measure from the Creator and Maker of men. As a student he was ever punctual, studious, and obedient. His great ability seems not to have gone in any particular direction but in all. He seems to have been well balanced at every point or angle. It is said that his love of literature and his constant devotion to it, aside from the regular curriculum of the academy, absorbed enough of his time to prevent him from graduating at the head of his class, although we find he graduated a high medium, well balanced in all the requirements of the collegiate course. After graduating from West Point in 1828 he was commissioned as second lieutenant in the Regular Army, and spent seven laborious years in the military service, chiefly in the middle Northwest. In 1835 he resigned from the Regular Army and married the charming daughter of Gen. Zachary Taylor, one of the beautiful, accomplished southern belles of that day. In his marrying begins the incomprehensible, strange, mysterious thread of tragedy that seems to have woven in and out along with the happiness, successes, and victories of his conspicuous life. It seems that into his life more clouds and showers mingled than in the lives of most other great men. We realize that in the life of all "some rain must fall, some clouds must hover," the nights as well as the days, the Decembers as well as the Junes, must come. We must believe that the decree of Him who guides us in order that the chaff may be separated from the grain, in order that we may render the greatest service to mankind, ordains this mysterious arrangement. It seems a certain way to eliminate self and to augment crystal service. Why General Taylor objected to the marriage has never been revealed by our historians, but his opposition to this union was so expressed and so determined that after this beautiful southern belle and the most promising son of the South were united in wedlock the father and daughter never met.

After their marriage the young couple settled immediately on a plantation of a thousand acres of rich land in south Mississippi near the Mississippi River. He intended to devote his life as a plantation owner, both he and his wife dreaming and planning of the ease of a cultured life beneath the southern skies, amid the natural enchantment of that beautiful section. Yet less than a year after these fond hopes and plans were formed they were both taken suddenly ill and she passed into the beyond.

With his fondest anticipations temporarily blasted and his health impaired, he went to Cuba for a sojourn, but returned later to the plantation of his brother, where seven long years were spent in study and preparation for his great life. Jefferson Davis occupies a unique position in national politics. He voluntarily left the House of Representatives to answer the Nation's call to battle for his country's honor, and later voluntarily left a Senate seat vacated to answer the call of the Southland. One of his master mind, thorough preparation, and exalted statecraft, although apparently in seclusion after his wife's death, was not overlooked by his countrymen, and at the age of 36 he was sent to Congress as a Representative of his congressional district. No young Congressman ever came to Washington more superbly equipped or more readily took leading rank than he. Although occupying this seat less than a year, he became one of the great leaders in oratory and statesmanship. But as much as this Nation seemed so signally to need him in this branch of his country's service, the war with Mexico was on, and Jefferson Davis, believing his country's interest called him to the perilous duty of the battle field rather than the alluring atmosphere of the Halls of Congress, we find him resigning his seat, returning to his beloved Southland, and becoming colonel of the greatest army of the Republic's Army on the plains of Mexico. His military training had taught him the necessity of equipping and training an army. The unsurpassed valor, discipline, and generalship of his division of that great army saved the day at Monterey and on the fields of Buena Vista, and but for the participation of Jefferson Davis in that struggle the history of the war with Mexico might have been written in chapters much less complimentary to our Republic. Having so signally immortalized himself in this great war, he retired again to his plantation life with the hope that he might live the remainder of his days in quiet and in the peaceful pursuit of his literary delight. But ere long Mississippi called him again to the legislative halls of our Nation. He went this time as a United States Senator and entered the greatest deliberative body on earth when the glory of this great Chamber was at its height. Possibly never at one time had so many illustrious men sat in the highest coun-

cils of the Nation. Among the great who sat there were: John C. Calhoun, of South Carolina; Daniel Webster, of Massachusetts; Henry Clay, of Kentucky; Thomas H. Benton, of Missouri; Louis Cass, of Michigan; and Stephen A. Douglas, of Illinois.

In that great company of giants Jefferson Davis, of Mississippi, at once took rank among the greatest. "Eloquent among the most eloquent in debate; the most accomplished Member of the body." One of the best authorities of that day says of him: "It is but simple justice to say that in ripe scholarship, wide and accurate information on all subjects coming before the body, native ability, readiness as a debater, true honor, and stainless character, Jefferson Davis stood in the very first rank, and did as much to influence legislation and leave his mark on the Senate and the country as any other who served in his day." He was a consistent advocate of the doctrine of state rights. He took the position that had been taken by Massachusetts and by Connecticut, and by those who afterwards denominated him a traitor, that this Union was composed of separate, independent, sovereign States, and that the Federal power was delegated and limited. He expressed his views in these concise words: "Each State retains its sovereignty, freedom, and independence, and every power, jurisdiction, and right which is not by this confederation expressly delegated to the United States in Congress assembled." Time does not permit me to go into detail on the many issues and great debates of that period, but it is sufficient to say that any student of history or those who have taken the pains to read and classify the great men of that assembly, if fair, will accord Jefferson Davis a place second to none. His enemies, who were too ignorant to know the real man, have denominated him a traitor and have accused him of being the prime mover and instigator of the sentiment that culminated in the bloody war of the States. Happy are we who are familiar with his life, who know and understand his great heart beats, and recognize in him the love of peace, and are delighted this base accusation is rapidly fading away, and that the intelligent and informed of our day are rapidly placing him on the high pedestal of a lover of peace and one desiring to avoid this bloody conflict.

The strongest position that he maintained was the South would never surrender its position on State rights, and that if the remainder of the Nation was not willing to dwell in union with the South, maintaining this constitutional guaranty, that it was better that the Union separated and that the discordant elements segregated themselves into independent Commonwealths. During this heated, turbulent debate, and before he bid adieu to the Senate which he so signally honored, he uttered these words, which is conclusive proof of his noble position:

"If the folly and fanaticism and pride and hate and corruption of the day are to destroy the peace and prosperity of the Union, let the sections part like the patriarchs of old and let peace and good will subsist among their descendants. Let no wounds be inflicted which time may not heal. Let the flag of our Union be folded up entire, the 13 stripes recording the original size of our family, untorn by the unholy struggle of civil war."

Jefferson Davis was twice honored with a seat in the United States Senate. During the interregnum between his first service and his last, he was appointed by President Pierce as Secretary of War and served for four years. Our great Nation can not boast of a more efficient, constructive execution of the War Department than the four years under Jefferson Davis. It was under his direction that the beautiful Capitol was completed. It was he who designed and placed on the dome of the Capitol its present emblem. If time permitted, I would like to detail many of the policies he inaugurated for the beautification and completeness of the Capital of our Nation. At the present we read and hear of the services of others in this direction, and I realize that the sectional feeling is not yet so dead but the services of Jefferson Davis in this direction are temporarily eclipsed, but when all the history of the Nation has been written, and all the great men have been fairly numbered, and the great phalanx of American patriots are in full view, then the services of Jefferson Davis will be written high on the scroll of his country's honored.

I haven't the time to recount his varied policies and execution of the presidency of the Confederacy. It has been conceded by his bitterest enemy that no republic was ever blessed with a stronger head than was the Confederate States. In the organization of the civil and military powers in a republic of agricultural States, where plants and factories were unknown and with the ports of the world closed against it, the army that he organized and sent forth in defense of his country is unparalleled and unequalled in all the history of the world.

Hon. B. G. Lowery, for many years a great Congressman of my State, in an address at Arlington Cemetery, well said: "The wonder is not that the Confederacy fell, but that it fell at the end of four years instead of six months. The fact significant is not that there were occasional places where the civil and the military failed to coordinate, but that they coordinated anywhere. The marvel is, and it is one of the marvels of history, that Jefferson Davis, without money, without equipment, with nothing but his own strength and wisdom, beset by malicious critics everywhere and by friendly critics in his own councils, gave to the southern armies a civil backing in which any government might pride itself."

After the fall of the Confederacy upon the surrender of the peerless Lee the brutal treatment of this chieftain by his vicious political ene-

mies will forever remain the blackest blot on the escutcheon of this Republic. Yet his bravery, fortitude, and uncomplaining suffering writes his name in the blood of his fallen army, in fame's eternal history a martyr unsurpassed and, I believe, unequalled.

Not only did Jefferson Davis lose his political prestige, his fortune, and his health in the crash of the South, but during those dark days he lost two of his sons, and soon after the close of the bloody conflict his other son was taken by the cold hand of death. Still his spirit rises buoyant, hopeful, and undaunted. By the generous hand of a wealthy benefactor he was bequeathed a magnificent home on the shore of the beautiful seaboard of Mississippi—the land of flowers and of hope, of brave men, beautiful, virtuous women—eternally wafted by the sea breezes of the Mexican Gulf, amid the enchanting shades of that fair region whose magnanimous people I have the honor to represent as a Member of Congress. There assembled the remnants of his once happy family, retiring for the peace of his old age. This home is now the State home of Confederate veterans and their wives, here, in their declining days, their hearts and lips in attune with the fresh breezes, daily echo in sweet cadence their undying love for the vanquished hero.

But the loving hearts of his adopted Mississippians were not content for him to dwell in ease, but for the third time offered him a seat in the Senate of the United States, but being conscious of the bitterness of other sections of the Nation, he feared his presence again in the Senate would militate against the interest of his Commonwealth. So true to the loyalty of his soul, he declined this honor.

Let me pay a just tribute to the noble women composing the United Daughters of the Confederacy. It is not your purpose to minimize or undervalue the valor or sacred ideals of those who opposed us. Your motives are of higher birth. They are to perpetuate and keep ever afresh the lofty ideals and principles underlying the causes, deeds, and actions of the Confederacy. In doing this you do not dim the luster of those who differed. You, as do I, wish them the most sublime happiness in perpetuating the memory of their cause and their loved ones departed. I am happy that I possess no bitterness toward the victors of this bloody vortex, but I am frank to say the multiplying years augment my belief in the eternal justness of our cause and the rectitude of those who followed the footsteps of the hero of this occasion. I but wish for the dawning of that beautiful day when the small remaining dark cloud of sectional hate which but dulls the otherwise beautiful firmament of this the greatest republic shall have floated far beyond the vision of every American citizen; and there silently yield its blighting gloom in the measureless ethereal of eternity, never to show its repulsive presence anew.

I thank God I am the proud father of five red-blooded American sons whose paternal grandfather wore the gray and whose maternal grandfather wore the blue. In equal proportion they glory in the surpassing heroism of the conflicting causes. They can enthusiastically join in the sentiment so beautifully expressed by George Morrow Mayo:

"Here's to the blue of the wind-swept North
When we meet on the fields of France;
May the spirit of Grant be with you all
As the sons of the North advance.

"Here's to the gray of the sun-kissed South
When we meet on the fields of France;
May the spirit of Lee be with you all
As the sons of the South advance.

"And here's to the blue and the gray as one
When we meet on the fields of France;
May the spirit of God be with us all
As the sons of the Flag advance."

Let me close these remarks with a quotation from an address delivered by Bishop Charles B. Galloway, of Mississippi, at the University of Mississippi on the 3d day of June, 1908, whose brilliant tribute to the life and character of Jefferson Davis was closed with these eloquent words:

"Greatest of Mississippians, the leader of our armies, the defender of our liberties, the expounder of our political creeds, the authoritative voice of our hopes and fears, the sufferer for our sins, if sins they were, and the willing martyr to our sacred cause—we shall ever speak his name with reverence and cherish with patriotic pride the story of his matchless deeds. He died without citizenship here, but he has become a fellow citizen with the heroes of the skies.

"Marvelous, many-sided, masterful man, his virtues will grow brighter and his name be written larger with each passing century. Soldier, hero, statesmen, gentleman, American—a prince of Christian chivalry—the uncrowned chief of an invisible republic of loving and loyal hearts—when another hundred years have passed, no intelligent voice will fail to praise him, and no patriotic hand will refuse to place a laurel wreath upon his radiant brow.

"Nothing need cover his high fame but heaven,
No pyramid set off his memories
But the eternal substance of his greatness,
To which I leave him."

HON. THOMAS C. McRAE

Mr. PARKS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting a sketch of the life and character of the late Thomas C. McRae, of Arkansas, who was for many years a Member of this House and represented the district that I have the honor to represent.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. PARKS. Mr. Speaker, on June 2, 1929, Hon. Thomas C. McRae, at the age of 77 years, 6 months, 2 days, departed this life at his home at Prescott, Ark. Mr. McRae was born at Mt. Holly, Union County, Ark., December 21, 1851. He attended private school in Shady Grove, Columbia County, Ark., and graduated from the Soule Business School, New Orleans, La., in 1869 and from the law school at Washington and Lee University, Lexington, Va., in 1872. The following year he was admitted to the bar and began the practice of law in Rosston, Nevada County, Ark.

In 1874 he was appointed election commissioner of his home county and served three years. He was elected to the State house of representatives in 1877, in which year he moved from Rosston to Prescott, to which latter place the county seat had been moved. In 1880 he was presidential elector on the Democratic ticket for Hancock and English, and was chairman of the Democratic State convention in 1884 and 1902, was a delegate to the Democratic National Convention at Chicago in 1884. He was elected to the House of Representatives as a Democrat in the Forty-ninth Congress to fill the vacancy caused by the resignation of Hon. James K. Jones, and was reelected to the Fiftieth and to the seven succeeding Congresses, serving from December 7, 1885, until March 3, 1903, when he voluntarily retired to resume the practice of law and engage in the banking business at Prescott, Ark. He was president of the Arkansas Bankers Association in 1909-10, and chairman of the committee that prepared the Arkansas banking law, and was president of the Arkansas Bankers Association in 1918-19, and a member of the Arkansas Constitutional Convention in 1918. He served as Governor of Arkansas from January 14, 1921, to 1925, and was elected a life member of the Arkansas State Democratic convention in 1926. Governor McRae came to Congress when a very young man and soon became known as one of the ablest and most diligent Members of the House. He was a member of the Committee on Public Lands at a time when the Federal Government held title to enormous areas of the public domain. Many citizens of the United States made claim to ownership of some of these lands. Mr. McRae succeeded in bringing order out of chaos and won a national reputation by the businesslike manner in which he settled the claims for both the Government and the claimants. During the years he was a Member of the House he grew in the affection and esteem of men who knew him.

After 18 years of continuous service here he retired to private life. As a Democrat he was regarded not only as the head of the Democratic Party in Arkansas but an outstanding Democrat nationally. Time after time the party called him in an advisory capacity when his counsel was needed to keep the ship of state properly on its course. Day after day he gave his services without thought of reward or personal benefit to himself. In 1920 the people of the State called him once more to active service, and at an election held at that time he was nominated on the Democratic ticket for governor and on the following November was overwhelmingly elected. He served for four years, and from the time that the State overthrew carpet-bag rule under the leadership of Gov. Augustus H. Garland to the present time no man has served with greater honor, more distinction, or has done more for the State than Gov. Thomas C. McRae. At the end of his term of four years as governor he was strongly urged, for the good of the State, to accept a third term but resolutely declined. During his administration the public-school system of Arkansas was put upon a firm basis. As long as time lasts the great school system in Arkansas that he so materially aided will be a monument to him. No man has ever retired from the office of governor with greater honor and higher esteem of his people than he. The enemies he made because of his courage and strong adherence to duty soon became his most ardent supporters and admirers. At the time of his death his influence was greater than that of any man who lived in the State. He was a man without guile, and in public office his sole purpose was to serve his people without a thought of the possible political effect to himself.

During the administration of President Wilson he attended a meeting of the American Bankers' Association at Boston. Of all the delegates that attended he was the only man who supported President Wilson's Federal reserve policy. He boldly

stood in that convention and raised his voice in favor of the Wilson policy. Throughout his entire life he was an uncompromising Democrat, who loved his party next to his church and his country.

During the recent campaign, even at his advanced age, he gave splendid service for his party and was in the forefront of the battle line from beginning to end. He was the most uncompromising advocate of States' rights that I ever knew. His fight for Democracy began at a time when he was but a boy and his home county had a large third party, and he never quit the fight for Democracy until his party was supreme and unopposed there.

The death of Governor McRae is not only a loss to his friends, family, and State, but a loss to the Nation. After 77 years of his life, in which he had been a leader in the government of his State and had engaged in every battle of his party, he came to the end without a blemish on his character or a scar on his record. Truly he was a giant and his loss will be felt by us all.

For a half century he was a leader in political, religious, civic, and business affairs of his State, and he stood foursquare to every wind that blew, and around him rallied those who fought for a finer civilization, higher ideals, and a better land. By energy and fine business judgment he accumulated a very comfortable fortune and was one of the most charitable and liberal givers in the State. No worthy cause went empty handed from him.

When all that was mortal of him was laid to rest, representatives from every section of the State came to attest the love and esteem in which he was held. The former pastor of his church, Rev. J. C. Williams, said:

During his course of 51 years in statesmanship he stood foursquare to the world. After 18 years in Congress he returned with an unblemished record of public service and a character unsullied. He was a man unaffected by the mad rush for money. He could not be bought, he could not be bribed, he could not be dishonored.

He gave 54 years of love and loyalty to his wife and to his family. The Nation's strength is built on homes like that. Religion was the basis of his great character. For their religious faith, his ancestors in Scotland suffered martyrdom. Religious liberty to them also meant political liberty. There was no hypocrisy, no deceit about Thomas C. McRae. He was a Christian gentleman, kind, courteous, civil, and dignified, but to-day he has entered through the pearly gates and is seated in the house of God.

The Rev. James B. Winchester, bishop of the Episcopal diocese of Arkansas, expressed my thought of Governor McRae in this beautiful tribute when he said:

In my judgment, Thomas Chipman McRae was one of the finest characters in our public life, an outstanding figure as Congressman, governor, and chairman of the Democratic Party in Arkansas. It was my privilege to know him as a law student in Washington and Lee University. We were associated in the Washington Literary Society at college. He graduated in the law department in one year, having the esteem of professors and students. When he went to Washington to represent Arkansas in Congress, Judge John Randolph Tucker, his law dean, having a seat in the House of Representatives from Virginia, welcomed him with warmest greeting, saying: "You are the first of my boys to meet me here." He cherished that salutation and kept it in his heart through life. His congressional career fulfilled Judge Tucker's expectations as his distinguished course at college had done. Governor McRae was a splendid type of Christian manhood, as exemplified in his patriotic statesmanship with the highest ideals of true American citizenship. All who came into the circle of his friendship realized his loyal consistency in all circumstances. His life has been a benediction to our Commonwealth, inspiring young men to be true and just in all their dealings. Therefore we thank God for his superb example of justice, purity, and honor. Tom McRae should have a monument erected to his sacred memory in the capital of Arkansas, where his illustrious public life stands as a beacon light to our whole country. I have never seen an inconsistency in his well-rounded, completed life.

A staff correspondent of the Arkansas Gazette, in writing of his funeral, said:

It was a great tribute to this native-born Arkansas patriot. In the solemn interlude that lies between the cradle and the grave he had pitched his career so that when he passed into the obscurity that lies beyond the dark curtain of life the leading men and women from the State he loved so devotedly came to mourn with Prescott over the loss of her great citizen.

The 77 years of his active life were recalled here to-day by his neighbors and friends, who remembered him as a stalwart fighter for the truth as he saw it, an unfaltering Democrat, who was, as the poet said:

"Great in council and great in war,
Foremost captain of his time,
Rich in saving common sense,
And in his simplicity sublime."

Thus was Thomas Chipman McRae laid at rest here in peace, strong in his Presbyterian faith, a pattern of the virtues of his age and race, and "in his simplicity sublime."

Mr. Speaker, a great man has gone; a friend whom I loved has passed; as the last immortelle of honor has been laid by the loving hands of a sorrowing people, we will cherish his memory, while his spirit will live forever in the beautiful land of the Leal.

PROHIBITION ENFORCEMENT

Mr. DYER. Mr. Speaker, I ask unanimous consent to extend my remarks on prohibition.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. DYER. Mr. Speaker, some weeks ago I wrote a letter to the New York Curb Exchange, New York City, N. Y., complaining that they were listing for sale stock in the Gooderham & Worts Co. (Ltd.), of Toronto, Canada.

My complaint was based on the fact that the name of the company as listed by the New York Curb Exchange did not show that it was stock in a company that was engaged in the manufacture of whisky. The truth, however, was that this was a whisky concern. I also complained that this firm was engaged in the manufacture of whisky for the purpose of smuggling it into the United States. This concern is better known as Hiram Walker & Co., although that was not the name listed in the New York Curb Exchange. My complaint was that the New York Curb Exchange, as well as stockbrokers engaged in the selling of this stock, were violating the prohibition enforcement act. The prohibition enforcement officers, however, claim that the New York Curb Exchange is not violating the law in listing Canadian distillery stocks. Evidently an amendment to the prohibition enforcement act is necessary in order to prevent the listing of distillery stock and the sale of it by stockbrokers in the United States. At the time I made the complaint to the New York Curb Exchange I stated that there was nothing to show that the stock mentioned was distillery stock. I also stated that I had bought some of the stock from a stock broker concern on the recommendation of a friend connected with it, and that he did not at the time I bought it state that it was whisky stock. I stated that as soon as I learned that fact I sold it. My complaint was misrepresented throughout the country and it was alleged that I was complaining because I lost money in the transaction. That was not the basis of my complaint. The loss I sustained was a very small one. I complained because Canadian distillers and brewers were able to manufacture and smuggle into the United States liquor and beer in large quantities in violation of our own laws, while our own people were prevented from manufacturing liquor or beer for sale in the United States. When I stated in my letter to the New York Curb Exchange that I had bought some stock and sold it at a loss because it was whisky stock I did this merely as an opening wedge to bring it to the attention of the said exchange and the public. I said it was wrong for American stock exchanges to advertise and sell stock to American investors in these liquor concerns in Canada because by doing that they were assisting the Canadian distillers to violate the law by furnishing them money in the sale of stock and which money they could use in smuggling liquor into the United States.

At the time I made the complaint, officials of the concern known as the Gooderham & Worts Co. (Ltd.), otherwise known as the Hiram Walker Co., of Toronto, Canada, were under indictment in the United States courts for liquor smuggling. If the United States Government wishes to enforce the prohibition law they must find some way through Congress or treaties to prevent liquor and beer smuggling into the United States. To make same effective they must have authority under the law to proceed against not only bootleggers who sell the liquor but all other agencies that combine and assist in making it possible for the Canadian distilleries and breweries to smuggle their liquor and beer into the United States, and it should include stock exchanges and stock brokers, who advertise, offer, and sell brewery stock.

The United States grand jury at Buffalo, N. Y., returned indictments on the 4th of December last but nothing has been accomplished to bring the Canadians indicted to trial. It is stated our treaties with Canada do not permit this being done. Until we are able to negotiate such treaties there will not be a let-up in the smuggling of liquor and beer into the United States from Canada. This is our great difficulty in enforcing

the prohibition law. When these indictments were returned at Buffalo on December 4 the facts showed that these Canadians were indicted in a plot to flood the United States with liquor and beer. Rum running was on a huge scale. The heads of Gooderham & Worts, which control Hiram Walker whisky and other distilleries and breweries, were names in the indictment. Thirty Canadian firms and individuals were charged with smuggling liquor worth \$25,000,000 or more into the United States.

The information as given out at the time these indictments were voted by the grand jury was in substance that the division of foreign control of the prohibition department announced that the investigation was just beginning, while it was reported at Washington that under present treaties Canadians can not be extradited. It was stated, however, the State Department was attempting to arrange a conference with the Canadian customs service for an agreement on a treaty making customs-law violations extraditable.

The indictments handed in without comment and received in silence by Judge Adler specifically charged that the firms and individuals conspired to violate the tariff act of 1892 and section 88 of the national prohibition law.

This section relates to conspiracy and carries a term of imprisonment to those found guilty under its provisions.

For weeks the jury had been receiving evidence presented by United States Attorney Richard H. Templeton. The evidence was based on reports submitted by a large number of special investigators who came to Buffalo last summer, when certain customs and immigration men were caught dealing in freight-car seals and participating in a conspiracy to pass liquor-laden cars into this country from Canada.

Foremost among those indicted was Harry C. Hatch, millionaire chairman of the board of Gooderham & Worts (Ltd.), of Toronto, and the Hiram Walker Co., of Windsor. Both companies were recently merged to create the largest distilling organization in the world, and they are named in the indictments. Others indicted are: Herbert C. Hatch and Larry J. McGuinness, members of the liquor brokerage firm of Hatch & McGuinness; Edward T. Sandell, president of the Taylor & Bate Brewery, St. Catharines, Ontario; C. A. Savard, Windsor, Ontario; Jules Thibideau, Port Lambton, Ontario; Stanley B. Sutton, Simcoe, Ontario; Frank S. Harris; Lionel L. Sinclair; John J. Fitzpatrick; A. Smith; D. Chulack; W. Rynolds, alias W. Reynolds; J. Meyers; Morris Green; David Caplan; Louis Harris; Fred H. Boyd; James Harris; J. Thompson; J. Penna; James Johnson; R. Robinson; W. Dingman; George McDermott; Charles Currner; A. Travernor; Joseph Burke; and J. Watson.

The indictments reported were declared to be the opening gun in a major war which the Washington authorities proposed to wage against what is called a big Canadian smuggling ring, said to have shipped into the United States liquor of the value of many millions of dollars.

The Hiram Walker-Gooderham Co. (Ltd.) is listed on the New York Curb Exchange and its shares have been widely purchased by American investors.

EXTENSION OF REMARKS

Mr. HALL of Illinois. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing some extracts from an article in the Country Gentleman on the Lakes-to-the-Gulf waterway.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

Mr. UNDERHILL. I object.

The SPEAKER. Objection is heard.

AGRICULTURAL MARKETING ACT

Mr. PURNELL. Mr. Speaker, I call up the conference report on the bill H. R. 1.

The SPEAKER. The Clerk will report the bill by title.

The Clerk read as follows:

A bill (H. R. 1) to establish a Federal farm board, to promote the effective merchandising of agricultural commodities in interstate and foreign commerce, and to place agriculture on a basis of economic equality with other industries.

Mr. PURNELL. Mr. Speaker, I ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The SPEAKER. The Clerk will read the statement.

The statement was read.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 1)

to establish a Federal farm board to promote the effective merchandising of agricultural commodities in interstate and foreign commerce, and to place agriculture on a basis of economic equality with other industries, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"DECLARATION OF POLICY

"SECTION 1. (a) That it is hereby declared to be the policy of Congress to promote the effective merchandising of agricultural commodities in interstate and foreign commerce, so that the industry of agriculture will be placed on a basis of economic equality with other industries, and to that end to protect, control, and stabilize the currents of interstate and foreign commerce in the marketing of agricultural commodities and their food products—

"(1) by minimizing speculation.

"(2) by preventing inefficient and wasteful methods of distribution.

"(3) by encouraging the organization of producers into effective associations or corporations under their own control for greater unity of effort in marketing and by promoting the establishment and financing of a farm marketing system of producer-owned and producer-controlled cooperative associations and other agencies.

"(4) by aiding in preventing and controlling surpluses in any agricultural commodity, through orderly production and distribution, so as to maintain advantageous domestic markets and prevent such surpluses from causing undue and excessive fluctuations or depressions in prices for the commodity.

"(b) There shall be considered as a surplus for the purposes of this act any seasonal or year's total surplus, produced in the United States and either local or national in extent, that is in excess of the requirements for the orderly distribution of the agricultural commodity or is in excess of the domestic requirements for such commodity.

"(c) The Federal farm board shall execute the powers vested in it by this act only in such manner as will, in the judgment of the board, aid to the fullest practicable extent in carrying out the policy above declared.

"FEDERAL FARM BOARD

"SEC. 2. A Federal farm board is hereby created, which shall consist of eight members to be appointed by the President, by and with the advice and consent of the Senate, and of the Secretary of Agriculture ex officio. In making the appointments the President shall give due consideration to having the major agricultural commodities produced in the United States fairly represented upon the board. The terms of office of the appointed members of the board first taking office after the date of the approval of this act shall expire, as designated by the President at the time of nomination, two at the end of the first year, two at the end of the second year, one at the end of the third year, one at the end of the fourth year, one at the end of the fifth year, and one at the end of the sixth year after such date. A successor to an appointed member of the board shall have a term of office expiring six years from the date of the expiration of the term for which his predecessor was appointed, except that any person appointed to fill a vacancy in the board occurring prior to the expiration of the term for which his predecessor was appointed, shall be appointed for the remainder of such term. One of the appointed members shall be designated by the President as chairman of the board and shall be the principal executive officer thereof. The board shall select a vice chairman who shall act as chairman in case of the absence or disability of the chairman. The board may function notwithstanding vacancies, and a majority of the appointed members in office shall constitute a quorum. Each appointed member shall be a citizen of the United States and shall not actively engage in any other business, vocation, or employment than that of serving as a member of the board; nor shall any appointed member during his term of office engage in the business (except such business as is necessary to the operation of his own farm or farms) of buying and selling, or otherwise be financially interested in, any agricultural commodity or product thereof. Each appointed member shall receive a salary of \$12,000 a year, together with necessary traveling and subsistence expenses, or per diem allowance in lieu thereof, within the limitations prescribed by law, while away from his official station upon official business.

"ADVISORY COMMODITY COMMITTEES

"SEC. 3. (a) The board is authorized to designate, from time to time, as an agricultural commodity for the purposes of this

act (1) any regional or market classification or type of any agricultural commodity which is so different in use or marketing methods from other such classifications or types of the commodity as to require, in the judgment of the board, treatment as a separate commodity under this act; or (2) any two or more agricultural commodities which are so closely related in use or marketing methods as to require, in the judgment of the board, joint treatment as a single commodity under this act.

"(b) The board shall invite the cooperative associations handling any agricultural commodity to establish an advisory commodity committee to consist of seven members, of whom at least two shall be experienced handlers or processors of the commodity, to represent such commodity before the board in matters relating to the commodity. Members of each advisory committee shall be selected by the cooperative associations from time to time in such manner as the board shall prescribe. No salary shall be paid to committee members, but the board shall pay each a per diem compensation not exceeding \$20 for attending committee meetings called by the board and for time devoted to other business of the committee authorized by the board, and necessary traveling and subsistence expenses, or per diem allowance in lieu thereof, within the limitations prescribed by law for civilian employees in the executive branch of the Government. Each advisory committee shall be designated by the name of the commodity it represents, as, for example, the 'cotton advisory committee.'

"(c) Each advisory committee shall meet as soon as practicable after its selection, at a time and place designated by the board. Each advisory committee shall meet thereafter at least twice a year upon call of the board, and may meet at other times upon call of a majority of the members thereof. Each advisory committee shall select a chairman and secretary.

"(d) Each advisory committee may by itself or through its officers, (1) confer directly with the board, call for information from it, or make oral or written representations to it, concerning matters within the jurisdiction of the board and relating to the agricultural commodity, and (2) cooperate with the board in advising the producers through their organizations or otherwise in the development of suitable programs of planting or breeding in order to secure the maximum benefits under this act consistent with the policy declared in section 1.

"GENERAL POWERS OF BOARD

"SEC. 4. The board—

"(1) shall maintain its principal office in the District of Columbia, and such other offices in the United States as in its judgment are necessary.

"(2) shall have an official seal which shall be judicially noticed.

"(3) shall make an annual report to Congress upon the administration of this act and any other matter relating to the better effectuation of the policy declared in section 1, including recommendations for legislation.

"(4) may make such regulations as are necessary to execute the functions vested in it by this act.

"(5) may appoint and fix the salaries of a secretary and such experts, and, in accordance with the classification act of 1923, as amended, and subject to the provisions of the civil service laws, such other officers and employees, as are necessary to execute such functions.

"(6) may make such expenditures (including expenditures for rent and personal services at the seat of government and elsewhere, for law books, periodicals, and books of reference, and for printing and binding) as are necessary to execute such functions. Expenditures by the board shall be allowed and paid upon the presentation of itemized vouchers therefor approved by the chairman of the board.

"(7) shall meet at the call of the chairman, the Secretary of Agriculture, or a majority of its members.

"SPECIAL POWERS OF BOARD

"SEC. 5. The board is authorized and directed—

"(1) to promote education in the principles and practices of cooperative marketing of agricultural commodities and food products thereof.

"(2) to encourage the organization, improvement in methods, and development of effective cooperative associations.

"(3) to keep advised from any available sources and make reports as to crop prices, experiences, prospects, supply, and demand, at home and abroad.

"(4) to investigate conditions of overproduction of agricultural commodities and advise as to the prevention of such overproduction.

"(5) to make investigations and reports and publish the same, including investigations and reports upon the following: Land utilization for agricultural purposes; reduction of the acreage of unprofitable marginal lands in cultivation; methods of expanding markets at home and abroad for agricultural com-

modities and food products thereof; methods of developing by-products of and new uses for agricultural commodities; and transportation conditions and their effect upon the marketing of agricultural commodities.

"REVOLVING FUND

"SEC. 6. There is hereby authorized to be appropriated the sum of \$500,000,000 which shall be made available by the Congress as soon as practicable after the approval of this act and shall constitute a revolving fund to be administered by the board as provided in this act.

"LOANS TO COOPERATIVE ASSOCIATIONS

"SEC. 7. (a) Upon application by any cooperative association the board is authorized to make loans to it from the revolving fund to assist in—

"(1) the effective merchandising of agricultural commodities and food products thereof;

"(2) the construction or acquisition by purchase or lease of physical marketing facilities for preparing, handling, storing, processing, or merchandising agricultural commodities or their food products;

"(3) the formation of clearing-house associations;

"(4) extending membership of the cooperative association applying for the loan by educating the producers of the commodity handled by the association in the advantages of cooperative marketing of that commodity; and

"(5) enabling the cooperative association applying for the loan to advance to its members a greater share of the market price of the commodity delivered to the association than is practicable under other credit facilities.

"(b) No loan shall be made to any cooperative association unless, in the judgment of the board, the loan is in furtherance of the policy declared in section 1 and the cooperative association applying for the loan has an organization and management, and business policies, of such character as to insure the reasonable safety of the loan and the furtherance of such policy.

"(c) Loans for the construction or acquisition by purchase or lease of physical facilities shall be subject to the following limitations:

"(1) No such loan for the construction or purchase of such facilities shall be made in an amount in excess of 80 per cent of the value of the facilities to be constructed or purchased.

"(2) No loan for the purchase or lease of such facilities shall be made unless the board finds that the purchase price or rent to be paid is reasonable.

"(3) No loan for the construction, purchase, or lease of such facilities shall be made unless the board finds that there are not available suitable existing facilities that will furnish their services to the cooperative association at reasonable rates; and in addition to the preceding limitation, no loan for the construction of facilities shall be made unless the board finds that suitable existing facilities are not available for purchase or lease at a reasonable price or rent.

"(d) Loans for the construction or purchase of physical facilities, together with interest on the loans, shall be repaid upon an amortization plan over a period not in excess of 20 years.

"MISCELLANEOUS LOAN PROVISIONS

"SEC. 8. (a) Loans to any cooperative association or stabilization corporation and advances for insurance purposes shall bear interest at a rate of interest per annum equal to the lowest rate of yield (to the nearest one-eighth of 1 per cent) of any Government obligation bearing a date of issue subsequent to April 6, 1917 (except postal-savings bonds), and outstanding at the time the loan agreement is entered into or the advance is made by the board, as certified by the Secretary of the Treasury to the board upon its request: *Provided*, That in no case shall the rate exceed 4 per cent per annum on the unpaid principal.

"(b) Payments of principal or interest upon any such loan or advance shall be covered into the revolving fund.

"(c) Loans to any cooperative association or stabilization corporation shall be made upon the terms specified in this act and upon such other terms not inconsistent therewith and upon such security as the board deems necessary.

"(d) No loan or insurance agreement shall be made by the board if in its judgment the agreement is likely to increase unduly the production of any agricultural commodity of which there is commonly produced a surplus in excess of the annual marketing requirements.

"STABILIZATION CORPORATIONS

"SEC. 9. (a) The board may, upon application of the advisory commodity committee for any commodity, recognize as a stabilization corporation for the commodity any corporation if—

"(1) the board finds that the marketing situation with respect to the agricultural commodity requires or may require the estab-

lishment of a stabilization corporation in order effectively to carry out the policy declared in section 1; and

"(2) the board finds that the corporation is duly organized under the laws of a State or Territory; and

"(3) the board finds that all the outstanding voting stock or membership interests in the corporation are and may be owned only by cooperative associations handling the commodity; and

"(4) the corporation agrees with the board to adopt such by-laws as the board may from time to time require, which by-laws, among other matters, shall permit cooperative associations not stockholders or members of the corporation to become stockholders or members therein upon equitable terms.

"(b) Any stabilization corporation for an agricultural commodity (1) may act as a marketing agency for its stockholders or members in preparing, handling, storing, processing, and merchandising for their account any quantity of the agricultural commodity or its food products, and (2) for the purpose of controlling any surplus in the commodity in furtherance of the policy declared in section 1, may prepare, purchase, handle, store, process, and merchandise, otherwise than for the account of its stockholders or members, any quantity of the agricultural commodity or its food products, whether or not such commodity or products are acquired from its stockholders or members.

"(c) Upon request of the advisory committee for any commodity the board is authorized to make loans from the revolving fund to the stabilization corporation for the commodity for working capital to enable the corporation to act as a marketing agency for its stockholders or members as hereinbefore provided. Not less than 75 per cent of all profits derived by a stabilization corporation each year from its operations as such a marketing agency shall be paid into a merchandising reserve fund to be established by the corporation. No such payment shall be required whenever the fund is in such amount as, in the judgment of the board, constitutes a sufficient reserve for such operations of the corporation. Out of the remainder of such profits for the year the corporation shall repay any outstanding loan made under this subdivision and the accrued interest thereon, or if all such loans and accrued interest have been fully repaid, then it may distribute a patronage dividend to its stockholders or members. Such patronage dividend shall be paid to each stockholder or member on the basis of the total volume of the commodity or its products for the year marketed for his account through the corporation.

"(d) Upon request of the advisory committee for any commodity the board is authorized to make loans from the revolving fund to the stabilization corporation for the commodity to enable the corporation to control any surplus in the commodity as hereinbefore provided and for meeting carrying and handling charges and other operating expenses in connection therewith. The board shall require a stabilization corporation to establish and maintain adequate reserves from its profits from its surplus control operations before it shall pay any dividends out of such profits. All losses of the corporation from such operations shall be paid from such reserves, or if such reserves are inadequate, then such losses shall be paid by the board as a loan from the revolving fund. Any amounts so loaned for payment of losses shall be repaid into the revolving fund by the corporation from future profits from its surplus control operations. Any stabilization corporation receiving loans under this subdivision for surplus control operations shall exert every reasonable effort to avoid losses and to secure profits, but shall not withhold any commodity from the domestic market if the prices have become unduly enhanced, resulting in distress to domestic consumers. Stockholders or members of the corporation shall not be subject to assessment for any losses incurred in surplus control operations of the corporation.

"(e) A stabilization corporation shall keep such accounts, records, and memoranda, and make such reports with respect to its transactions, business methods, and financial condition, as the board may from time to time prescribe; shall permit the board to audit its accounts annually and at such other times as the board deems advisable; and shall permit the board, upon its own initiative or upon written request of any stockholder or member, to investigate the financial condition and business methods of the corporation.

"(f) No loan shall be made to any stabilization corporation unless, in the judgment of the board, the loan is in furtherance of the policy declared in section 1.

"CLEARING HOUSE ASSOCIATIONS"

"SEC. 10. Upon application of any cooperative association handling an agricultural commodity or of producers of an agricultural commodity, the board is authorized, if it deems such association or producers representative of the commodity, to assist in forming producer-controlled clearing house associations adapted to effecting the economic distribution of the agri-

cultural commodity among the various markets and to minimizing waste and loss in the marketing of the commodity, if such assistance, in the judgment of the board, will be in furtherance of the policy declared in section 1. The board may provide for the registration, and for the termination of the registration, of any clearing house association in accordance with such regulations as the board may prescribe. Such clearing house associations are authorized to operate under rules adopted by the member cooperative associations and approved by the board. Independent dealers in, and handlers, distributors, and processors of, the commodity, as well as cooperative associations handling the commodity, shall be eligible for membership in the clearing house association: *Provided*, That the policy of such clearing house association shall be approved by a committee of producers which, in the opinion of the board, is representative of the commodity. Clearing house associations shall utilize the Market News Service and other facilities of the Department of Agriculture as far as possible.

"PRICE INSURANCE"

"SEC. 11. The board is authorized, upon application of cooperative associations, to enter into agreements, subject to the conditions hereinafter specified, for the insurance of the cooperative associations against loss through price decline in the agricultural commodity handled by the associations and produced by the members thereof. Such agreements shall be entered into only if, in the judgment of the board, (1) coverage is not available from private agencies at reasonable rates, (2) the insurance will be in furtherance of the policy declared in section 1, (3) the agricultural commodity is regularly bought and sold in the markets in sufficient volume to establish a recognized basic price for the market grades of the commodity, and (4) there is available with respect to the commodity such market information as will afford an accurate record of prevailing prices for the commodity covering a period of years of sufficient length to serve as a basis to calculate the risk and fix the premium for the insurance. The agreements shall require payment of premiums so fixed and shall include such other terms as, in the judgment of the board, are necessary. The board may make advances from the revolving fund to meet obligations under any insurance agreement, but such advances together with the interest thereon shall, as soon as practicable, be repaid from the proceeds of insurance premiums.

"ADMINISTRATIVE APPROPRIATION"

"SEC. 12. For expenditures in executing the functions vested in the board by this act (including salaries and expenses of members, officers, and employees of the board and per diem compensation and expenses of the commodity committees), incurred prior to July 1, 1930, there is hereby authorized to be appropriated the sum of \$1,500,000. No part of the moneys appropriated in pursuance of this authorization shall be available for expenditures, including loans and advances, for the payment of which the revolving fund or insurance moneys are authorized to be used.

"AVOIDANCE OF DUPLICATION"

"SEC. 13 (a) The board shall, in cooperation with any governmental establishment in the Executive branch of the Government, including any field service thereof at home or abroad, avail itself of the services and facilities thereof in order to avoid preventable expense or duplication of effort.

"(b) The President may by Executive order direct any such governmental establishment to furnish the board such information and data as such governmental establishment may have pertaining to the functions of the board; except that the President shall not direct that the board be furnished with any information or data supplied by any person in confidence to any governmental establishment in pursuance of any provision of law or of any agreement with a governmental establishment.

"(c) The board may cooperate with any State or Territory, or department, agency, or political subdivision thereof, or with any person.

"(d) The board shall, through the Secretary of Agriculture, indicate to the appropriate bureau or division of the Department of Agriculture any special problem on which a research is needed to aid in carrying out the provisions of this act.

"(e) The President is authorized, by Executive order, to transfer to or retransfer from the jurisdiction and control of the board the whole or any part of (1) any office, bureau, service, division, commission, or board in the executive branch of the Government engaged in scientific or extension work, or the furnishing of services, with respect to the marketing of agricultural commodities, (2) its functions pertaining to such work or services, and (3) the records, property, including office equipment, personnel, and unexpended balances of appropriation, pertaining to such work or services.

"EXAMINATION OF BOOKS AND ACCOUNTS OF BOARD

"Sec. 14. Vouchers approved by the chairman of the board for expenditures from the revolving fund pursuant to any loan or advance or from insurance moneys pursuant to any insurance agreement, shall be final and conclusive upon all officers of the Government; except that all financial transactions of the board shall, subject to the above limitations, be examined by the General Accounting Office at such times and in such manner as the Comptroller General of the United States may by regulation prescribe. Such examination, with respect to expenditures from the revolving fund pursuant to any loan or advance or from insurance moneys pursuant to any insurance agreement, shall be for the sole purpose of making a report to the Congress and to the board of expenditures and of loan and insurance agreements in violation of law, together with such recommendations thereon as the Comptroller General deems advisable.

"MISCELLANEOUS PROVISIONS

"Sec. 15 (a) As used in this act, the term 'cooperative association' means any association qualified under the act entitled 'An act to authorize the association of producers of agricultural products,' approved February 18, 1922. Whenever in the judgment of the board the producers of any agricultural commodity are not organized into cooperative associations so extensively as to render such cooperative associations representative of the commodity, then the privileges, assistance, and authority available under this act to cooperative associations, shall also be available to other associations and corporations producer-owned and producer-controlled and organized for and actually engaged in the marketing of the agricultural commodity. No such association or corporation shall be held to be producer-owned and producer-controlled unless owned and controlled by cooperative associations as above defined and/or by individuals engaged as original producers of the agricultural commodity.

"(b) It shall be unlawful for any member, officer, or employee of the board to speculate, directly or indirectly, in any agricultural commodity or product thereof, or in contracts relating thereto, or in the stock or membership interests of any association or corporation engaged in handling, processing, or disposing of any such commodity or product. Any person violating this subdivision shall upon conviction thereof be fined not more than \$10,000, or imprisoned not more than 10 years, or both.

"(c) It shall be unlawful (1) for any cooperative association, stabilization corporation, clearing-house association, or commodity committee, or (2) for any director, officer, employee, or member or person acting on behalf of any such association, corporation, or committee, to which or to whom information has been imparted in confidence by the board, to disclose such information in violation of any regulation of the board. Any such association, corporation, or committee, or director, officer, employee, or member thereof, violating this subdivision, shall be fined not more than \$5,000, or imprisoned not more than five years, or both.

"(d) The inclusion in any governmental report, bulletin, or other such publication hereafter issued or published of any prediction with respect to cotton prices is hereby prohibited. Any officer or employee of the United States who authorizes or is responsible for the inclusion in any such report, bulletin, or other publication of any such prediction, or who knowingly causes the issuance or publication of any such report, bulletin, or other publication containing any such prediction, shall, upon conviction thereof, be fined not less than \$500 or more than \$5,000, or imprisoned for not more than five years, or both: *Provided*, That this subdivision shall not apply to the members of the board when engaged in the performance of their duties herein provided.

"(e) If any provision of this act is declared unconstitutional, or the applicability thereof to any person, circumstance, commodity, or class of transactions with respect to any commodity is held invalid, the validity of the remainder of the act and the applicability of such provision to other persons, circumstances, commodities, and classes of transactions shall not be affected thereby.

"(f) This act may be cited as the 'agricultural marketing act.'

And the Senate agree to the same.

G. N. HAUGEN,
FRED S. PURNELL,
T. S. WILLIAMS,
J. B. ASWELL,
D. H. KINCHELOE,
CHAS. L. McNARY,
ARTHUR CAPPER,
JOS. E. RANDELL,

Managers on the part of the House.

Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the bill (H. R. 1) to establish a Federal farm board to promote the effective merchandising of agricultural commodities in interstate and foreign commerce, and to place agriculture on a basis of economic equality with other industries, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate amendment struck out all of the House bill after the enacting clause. The House recedes from its disagreement to the amendment of the Senate, with an amendment which is a substitute for both the House bill and the Senate amendment. The essential differences between the House bill and the Senate amendment, and the nature of the corresponding provisions of the substitute agreed upon by the conferees, are set forth in the following discussion:

DECLARATION OF POLICY

The House bill (sec. 1) declared it to be the policy of Congress to promote the effective merchandising of agricultural commodities in interstate and foreign commerce so that the industry of agriculture would be placed on a basis of economic equality with other industries. This end was to be obtained by (1) minimizing speculation, (2) preventing inefficient and wasteful methods of distribution, (3) limiting undue and excessive price fluctuations, (4) encouraging the organization of producers into cooperative associations and promoting the establishment and financing of a farm-marketing system of producer-owned and producer-controlled cooperative associations and other agencies, and (5) aiding in preventing and controlling surpluses in any agricultural commodity, through orderly production and distribution, so as to maintain advantageous domestic markets and prevent such surpluses from unduly depressing the prices for the commodity.

The Senate amendment (sec. 1) declared it to be the policy of the United States to minimize price fluctuations by controlling surpluses, and by encouraging producers to organize effective associations or corporations under their own control for greater unity of effort in marketing. The Senate amendment described a surplus as a "seasonal or year's total surplus, produced in the United States and either local or national in extent; that is, in excess of the requirements for the orderly marketing of any agricultural commodity or in excess of the domestic requirements for such commodity." The substitute (sec. 1) retains substantially the provisions of the House bill, together with the provisions in the Senate amendment defining a surplus. The Senate amendment (sec. 1 (2)) contained a provision declaring that the objects hereinbefore referred to should be accomplished in such manner as to bring about a substantial and permanent improvement in agriculture and promote the best interests of the country as a whole. It also declared (sec. 14 (f)) it to be the purpose of this act to organize, encourage, and utilize existing cooperative farm organizations and farm cooperative marketing agencies. Both of these provisions have been omitted from the substitute.

FEDERAL FARM BOARD

The House bill (sec. 2 (a)) provides for a Federal farm board, to consist of a chairman and five other appointed members, the chairman to serve at the pleasure of the President and his salary to be fixed by the President. The House bill also provided that the President should designate any appointed member to act as chairman in case of the absence or disability of the chairman. These provisions are omitted from the substitute.

The Senate amendment (sec. 2) provided for a Federal farm board, to consist of 12 appointed members, 1 from each of the 12 Federal land-bank districts, the chairman to be designated by the President and to be the principal executive officer of the board and the board to select a vice chairman. It also provided that the terms of office and the salary of all appointed members, including the chairman, should be the same, namely, \$12,000 a year. The Senate amendment further provided that no appointed member should during his term of office engage in the business of buying and selling or otherwise be financially interested in any agricultural commodity or product thereof, except such business as was necessary in the operation of his own farm or farms.

The substitute (sec. 2) provides for a Federal farm board to consist of eight appointed members and retains the provisions of the Senate amendment providing that the salaries and terms of office of all the appointed members, including the chairman, shall be the same, namely, \$12,000 a year. It also contains a provision requiring the President to give due consideration to having the major agricultural commodities produced in the United States fairly represented upon the board rather than to

select them from the several land-bank districts. The provisions of the Senate amendment requiring the President to designate the chairman of the board and authorizing the board to select a vice chairman are adopted in the substitute as well as the provision providing that no appointed member should, during his term of office, engage in the business of buying and selling or otherwise be financially interested in any agricultural commodity or product thereof.

The Senate amendment (sec. 2) contained a clause providing, as a qualification to membership on the board, that each appointed member shall have demonstrated his capacity and fitness by a record of success in agricultural activities. This provision is omitted from the substitute.

ADVISORY COMMODITY COMMITTEES

The House bill (sec. 3 (b)) provided that the board should invite the cooperative associations for any commodity to establish advisory commodity committees to consist of seven members, at least two of whom were to be experienced handlers and processors of the commodity. Members were to be selected by cooperative associations in such manner as the board might prescribe. The Senate amendment (sec. 4 (a)) provided for the establishment of an advisory council for each commodity prior to the first certification of a stabilization corporation for that commodity. Each council was to consist of seven members selected by the board from persons nominated by the cooperative associations for the commodity in such manner as the board should prescribe.

The substitute retains the House provisions with the addition of certain provisions from the Senate amendment (sec. 4) not found in the House bill and covering such details as meetings of the advisory committee, the selection of its chairman and secretary, and an outline of the functions and authority of the committee. Among these latter are conferences with the board, calling for information from it, making oral or written representations to it, and cooperation with it in advising producers of the commodity in the development of suitable programs of planting and breeding.

While the House bill (sec. 3 (a)) and the Senate amendment (sec. 5 (a)) both give the board power to provide for combined treatment of one or more agricultural commodities as one commodity or separate treatment for different classifications or types of a single commodity, neither the House bill nor the Senate amendment defines the term "agricultural commodity." However, the Senate amendment (sec. 1 (3)) provided that the term shall include, among other matters, corn, stalks, wheat, oat and rice stalks, cotton stalks, and other like agricultural products. This provision is omitted from the substitute.

GENERAL POWERS OF THE BOARD

The substitute (sec. 4) makes no change from the House bill (sec. 2 (b)) in the general powers of the board except that it omits from the House bill the requirements that the principal office of the board shall be located in the Department of Agriculture and retains the provisions in the Senate amendment (sec. 3 (a) and (f)) to the effect that the board shall have its principal office in the District of Columbia, meet at the call of the chairman, the Secretary of Agriculture, or a majority of its members.

The Senate amendment (sec. 3 (e)) provided that the appointment of experts should be subject to the civil service laws and their salaries should be fixed in accordance with the classification act of 1923. The House bill did not contain these restrictions, and they have been omitted from the substitute.

SPECIAL POWERS

The substitute (sec. 5) contains the identical provisions of the House bill (sec. 4) with the exception of omitting therefrom the requirement that the board shall have authority to make investigations and reports upon the economic need for reclamation and irrigation projects.

REVOLVING FUND

The provisions of the House bill (sec. 5 (a)) and of the Senate amendment (sec. 8) establishing a revolving fund of \$500,000,000 were identical. The substitute (sec. 6) of course makes no change.

LOANS TO COOPERATIVE ASSOCIATIONS

The House bill provided for loans (sec. 5 (b)) to cooperative associations for effective merchandising, for the construction or acquisition by purchase or lease of storage or other physical marketing facilities, for the formation of clearing-house associations, and for the extension of membership of cooperative associations through education in the advantages of cooperative marketing. The Senate amendment (sec. 6 (c)) provided for loans to cooperative associations for the acquisition by purchase, construction, or otherwise of facilities and equipment for preparing, handling, storing, processing, or sale

or other disposition of agricultural commodities, for working capital for cooperative associations, and for the purchasing of supplies and equipment by cooperative associations for use in the production of agricultural commodities by their members. The substitute (sec. 7 (a)) retains the provisions of the House bill, except that the provision for the loans for physical facilities is broadened so that physical facilities may be acquired for any phase of marketing, such as preparing, handling, storing, processing, or merchandising agricultural commodities or their food products.

The House bill (sec. 5 (b)) contained certain provisions not found in the Senate amendment restricting the loans for physical facilities to 80 per cent of their value and further restricting them so as to avoid unnecessary duplication of existing facilities if the services of existing facilities were available at reasonable rates or the facilities could be purchased or leased for a reasonable price or rent. The substitute (sec. 7 (c)) retains these House provisions.

In addition to the loans above set forth the Senate amendment (sec. 6 (c)) provided for loans to agricultural purchasing associations (as well as to cooperative marketing associations) for the purchase of supplies and equipment for use in production. The House bill contained no similar provision, and the substitute likewise omits the provision.

The Senate amendment (sec. 6 (d)) also provided for loans to cooperative associations for the purpose of enabling them to advance to their members a greater share of the market price of the commodity delivered to them than is practicable under other credit facilities. These loans were to be secured by a lien upon the commodity and, together with advances made by intermediate credit banks and other agencies upon the commodity, were not to exceed 85 per cent of its market value. The House bill had no such provision. The substitute (sec. 7 (a) (5)) retains the Senate provision, but with modifications eliminating the per cent limitation and leaving the matter of security to the discretion of the board.

MISCELLANEOUS LOAN PROVISIONS

The House bill (sec. 5 (a)) provided that all loans to cooperative associations or stabilization corporations or advances for insurance purposes should be at a rate of interest fixed by the board. The Senate amendment (sec. 6 (f)) provided that such loans and advances should bear interest at a rate of interest per annum equal to the lowest rate of yield of any Government obligation bearing a date of issue since April 6, 1917 (except postal-savings bonds), and outstanding at the time of the loan or advance, provided that in no case should this rate exceed 4 per cent per annum on the unpaid principal. The substitute (sec. 8 (a)) retains the Senate provision with an amendment to clear up a minor administrative difficulty. The House bill (sec. 5 (a)) provided that payments of interest should be covered into the Treasury, while the Senate amendment (sec. 6 (f)) provided that such payments should be covered into the revolving fund. The substitute (sec. 8 (b)) retains the Senate provision.

The Senate amendment (sec. 6) in many cases specified the nature of security upon which the various loans were to be made. The House bill (sec. 5 (b)) and the committee substitute (sec. 8 (c)) leave this matter to the discretion of the board.

The House bill (sec. 5 (e)) required that no loan or insurance agreement should be made by the board if, in its judgment, the agreement is likely to increase unduly production of a commodity of which there is commonly produced a surplus in excess of the annual domestic requirements. The Senate amendment had no such provision. The committee substitute (sec. 8 (d)) retains the House provision with a modification which limits the restriction to commodities of which there is commonly produced a surplus in excess of the annual requirements for orderly distribution among both domestic and foreign markets.

The Senate amendment provided for the allocation of the revolving fund among the various classes of loans for cooperative associations and stabilization corporations by specifying maximum amounts which the amount of the outstanding loans for the particular purpose could not exceed. The House bill contained no such restrictions, and the substitute likewise omits such restrictions.

STABILIZATION CORPORATIONS

Dual functions: Both the House bill and the Senate amendment recognized two main functions of stabilization corporations. First, the stabilization corporation for any commodity was to engage in surplus control operations for the purpose of stabilizing the market for the commodity. This was to be done through purchasing, storing, and merchandising the commodity. In the second place, the stabilization corporations were to act as marketing agents. They were to be central marketing agencies through which their stockholders or members, namely, the cooperative associations, might on their own account dispose

of the commodity produced or lawfully acquired by them, retaining the profits and suffering the losses. (See sec. 6 (b) of the House bill and sec. 5 (d) of the Senate amendment.)

Loans: The House bill (sec. 6 (b)) provided that loans from the revolving fund might be made to a stabilization corporation for working capital for its surplus-control operations. The Senate amendment not only provided for similar loans to a stabilization corporation (sec. 6 (b)) but also authorized the board to subscribe to stock of a stabilization corporation from the revolving fund in order that the corporation might have available working capital for its merchandising operations on account of its members (sec. 5 (f)). The substitute provides for obtaining working capital for both surplus-control operations and merchandising operations by means of loans (sec. 9 (c) and (d)), which will supplement the funds accumulated in its reserves or obtainable from existing banking facilities.

Reserves: The House bill (sec. 6 (d)) required a stabilization corporation to establish and maintain reserves before it could pay dividends out of its profits from any source. Losses which exceed its capital and reserves for all purposes were to be met out of future profits from any source and were not permitted to be assessed against stockholders or members. The Senate amendment segregated the two operations of the corporation, namely, surplus control operations and merchandising operations on account of its members. To this end the Senate amendment provided that 75 per cent of all profits made from surplus control operations should be paid into a surplus control reserve fund so long as that fund was inadequate in the judgment of the board. The remainder of the profits from the surplus control operations could be distributed as a patronage dividend. All losses from surplus control operations were payable from the surplus control reserve fund, or, if that fund was inadequate, then from the revolving fund, subject to repayment with interest from future profits from surplus control operations. The profits of a stabilization corporation from its merchandising operations for the account of its members were in no wise subject to liability for losses from the surplus control operations. On the other hand, the Senate amendment provided that 75 per cent of its profits from merchandising operations for the account of its members should be paid into a merchandising reserve fund so long as that fund was inadequate in the judgment of the board. Out of the remainder of such profits there was required to be paid a cash dividend on the outstanding stock which had been issued in order to obtain working capital, and any balance might be distributed as a patronage dividend.

The substitute (sec. 9 (c) and (d)) retains the segregation principle provided in the Senate amendment. A merchandising reserve fund is established into which go 75 per centum of the profits derived by the stabilization corporation from its operations as a marketing agency for its members so long as that fund is inadequate in the judgment of the board. The remainder of its profits from its merchandising operations are to be used for repayment of the loan (which loan, as above noted, takes the place of the stock issue provided in the Senate amendment) for working capital for its merchandising operations and interest thereon, and thereafter for patronage dividends. As to profits from surplus control operations, these are required to be paid into such reserves as the board may require the stabilization corporation to establish and maintain. Any excess may be paid out in dividends of such character as the corporation may lawfully declare and may in its discretion so declare.

Establishment: The House bill (sec. 6 (a)) provided for the establishment of stabilization corporations only upon application of the advisory commodity committee for the commodity. The Senate bill (sec. 5 (a)) permitted any qualified corporation to make application for certification as a stabilization corporation for a commodity. The substitute retains the requirement of the House bill.

Accounts: The substitute (sec. 9 (e)) retains the provisions found in the Senate amendment (sec. 5 (c)), but not in the House bill, to the effect that the board may prescribe accounts, records, and memoranda of a stabilization corporation, may require it to make reports with respect to its transactions, business methods, and financial condition, may audit its accounts annually and at such other times as the board deems advisable, and may, upon its own initiative or upon written request of a stockholder or member of the stabilization corporation, investigate the financial condition and business methods of the corporation.

The substitute (sec. 9 (d)) also retains the provision found in the House bill (sec. 6 (c)), but not the Senate amendment, to the effect that a stabilization corporation shall exert every reasonable effort to avoid losses and to secure profits, but shall

not withhold any commodity from the domestic market if the prices thereof have become unduly enhanced resulting in distress to domestic consumers.

By-laws: The House bill (sec. 6 (a) (4)) required the stabilization corporation, before being recognized as such by the board, to agree with the board to adopt such by-laws as the board may from time to time require and, among other matters, by-laws which permitted cooperative associations not stockholders or members of the corporation to become stockholders of members therein upon equitable terms. The Senate amendment (sec. 5 (a) (3)) required a stabilization corporation to agree with the board, before being certified as a stabilization corporation, to adopt by-laws, and make such changes therein as in the judgment of the board were necessary to enable the corporation effectively to conform to the requirements of the act. The Senate amendment (sec. 5 (a)) further provided that the board shall prescribe the terms upon which a cooperative association should be entitled to admission to membership in a stabilization corporation. The Senate amendment further provided (sec. 5 (b)) that upon becoming a member of the stabilization corporation, a cooperative association should subscribe for shares of stock in the corporation in number equal to the number of members of the cooperative association. The substitute (sec. 9 (a)) retains the provisions of the House bill upon the above matters.

Duration: The charter of a corporation must be satisfactory to the board before the corporation will be recognized by the board as a stabilization corporation. Further, the board controls the by-laws of the corporation. It therefore follows that the surplus-control operations and the merchandising operations of a stabilization corporation are subject to control by the board in the interest of effectuating the declared policy. The Senate amendment (sec. 5 (a)) provided that the authority of a corporation to act as a stabilization corporation would expire at the end of five years unless renewed. The House bill and the substitute omit this provision as unnecessary in view of the control which the board has over the stabilization corporation, as above set forth, and in view of the power of the board to supervise the reserves of a stabilization corporation.

Federal instrumentalities: The Senate amendment (sec. 5 (a)) also declared stabilization corporations to be Federal instrumentalities. The House bill had no similar declaration and it is omitted in the substitute.

CLEARING-HOUSE ASSOCIATIONS

The substitute (sec. 10) retains the provisions of the House bill (sec. 5 (c)) with the exception of a clerical change and the addition of the provisions of the Senate amendment (sec. 9) which required clearing-house associations to utilize the market news service and other facilities of the Department of Agriculture, as far as possible, and which gave the board power to terminate the registration of any clearing-house association.

Under the provisions of the Senate amendment only cooperative associations handling perishable commodities could form a clearing-house association. The House bill and the substitute make possible clearing-house associations for all commodities.

PRICE INSURANCE

The House bill (sec. 5 (d)) authorized the board to enter into insurance agreements with cooperative associations only upon application of the advisory commodity committee for the commodity. It also provided that such agreements should be entered into only if, in the judgment of the board, the agricultural commodity was regularly traded in upon an exchange in sufficient volume to establish a recognized basic price for the commodity and such exchange had accurate price records of sufficient value to serve as a basis to calculate the risk and fix the premiums for the insurance.

The Senate amendment (sec. 7) contained no provision requiring the advisory commodity committee to make application for the insurance on behalf of the cooperative associations for the commodity. The Senate amendment also provided that such insurance agreements should be entered into if in the judgment of the board the agricultural commodity was regularly bought and sold in the markets in sufficient volume to establish a recognized basic price for the commodity and there was available with respect to the commodity such market information as would afford an accurate record of prevailing prices for the commodity of sufficient value to serve as a basis to calculate the risk and fix the premiums for the insurance.

The substitute (sec. 11) adopts the provisions of the Senate amendment.

The House bill (sec. 5 (a)) provided that the interest rate on insurance moneys temporarily advanced from the revolving fund should be fixed by the board. The substitute omits this provision and fixes the rate of interest the same as for loans. (See sec. 8 (a) of substitute.)

ADMINISTRATIVE APPROPRIATION

The House bill (sec. 8 (a)) authorized an appropriation of \$1,500,000 for the administrative expenses of the board incurred prior to July 1, 1930, whereas the Senate amendment (sec. 11) authorized an appropriation of \$500,000 for the administrative expenses of the board incurred prior to July 1, 1930. The substitute (sec. 12) retains the provision of the House bill.

AVOIDANCE OF DUPLICATION

Cooperation with governmental establishments: The House bill (sec. 7) and the Senate amendment (sec. 13) were substantially the same in providing for the cooperation with governmental establishments in the executive branch of the Government; authorizing the President to direct any governmental establishment to furnish the board with information and data pertaining to the functions of the board; and authorizing the board to cooperate with any State or Territory, or department, agency, or political subdivision thereof, or with any person. However, the House bill, in authorizing cooperation with any governmental establishment in the executive branch of the Government, included in addition any field service thereof, at home or abroad. The substitute (sec. 13 (a), (b), and (c)) adopts the language of the Senate amendment but includes the provision of the House bill relating to cooperation with the field service of any governmental establishment at home or abroad.

The Senate amendment (sec. 3 (g)) directed the board through the Secretary of Agriculture to indicate to the appropriate bureau or division of the Department of Agriculture any special problem on which a research is needed by the board to aid it in carrying out the provisions of the act. No such provision was contained in the House bill. The substitute (sec. 13 (d)) adopts the Senate amendment.

Transfer of bureaus, etc.: The House bill (sec. 9) authorized the President to transfer to or retransfer from the jurisdiction and control of the board the whole or any part of any office, bureau, service, division, commission, or board in the executive branch of the Government engaged in scientific or extension work, or the furnishing of service with respect to the marketing of agricultural commodities, together with the records, property, personnel, and appropriations pertaining thereto. No such provision was contained in the Senate amendment. The substitute adopts the provision of the House bill with a clerical change.

EXAMINATION OF BOOKS AND ACCOUNTS OF BOARD

The House bill (sec. 10) and the Senate amendment (sec. 12), which provided that vouchers approved by the chairman of the board for expenditures from the revolving fund should be final and conclusive on all officers of the Government and which provided that the General Accounting Office should examine such expenditures only for the purpose of making a report to Congress of expenditures and advances and of loan and insurance agreements made in violation of law, were substantially the same except for a provision in the Senate amendment which related to export debentures. The substitute (sec. 14) retains the provisions of the House bill with clerical changes found necessary in order that the language in this section should conform to the language of other portions of the substitute.

MISCELLANEOUS PROVISIONS

The definition of the term "cooperative association" and the provisions prohibiting the members, officers, and employees of the board from speculating in agricultural commodities or food products thereof were identical in both the House bill (sec. 8 (b)) and the Senate amendment (sec. 14 (d)), and are therefore adopted in the substitute (sec. 15 (a) and (b)) without change.

The provisions of the House bill (sec. 8 (d)) and the Senate amendment (sec. 14 (c)) prohibiting cooperative associations, stabilization corporations, clearing-house associations, and advisory committees or any director, officer, or employee to which or to whom information has been imparted in confidence to disclose such information in violation of any regulation of the board, were substantially the same. The House bill, however, provided that such prohibition should extend to any member of such association, corporation, or committee, or any person acting on behalf of any such association, corporation, or committee, and except that the penalty provisions of the House bill provided for a fine of not more than \$10,000 or imprisonment for not more than 10 years, or both. The Senate amendment provided for a fine of \$2,000 or imprisonment for not more than two years, or both. The substitute (sec. 15 (c)) incorporates the provisions of the House bill, except that the penalty provisions are fixed at a fine of not to exceed \$5,000 or imprisonment for not more than five years, or both.

The Senate amendment (sec. 14 (e)) contained a provision which prohibited the inclusion in any governmental report, bulletin, or other publication of any prediction with respect

to the prices of cotton. No such provision was contained in the House bill. The Senate amendment is incorporated in the substitute with slight clerical changes. The penalty provisions contained in the Senate amendment have been reduced in the substitute from a fine of not less than \$1,000 or more than \$10,000 to a fine of not less than \$500 or more than \$5,000.

The Senate amendment (sec. 14 (a)) contained a separability clause which did not appear in the House bill and which is adopted in the substitute (sec. 15 (e)).

The House bill (sec. 11) provided that the act may be cited as the "Federal farm board act" and the Senate amendment (sec. 14 (g)) provided that the act may be cited as the "Agricultural surplus control act." The substitute (sec. 15 (f)) provides that the act may be cited as the "agricultural marketing act."

EXPORT DEBENTURES

The Senate amendment provided for the issuance of export debentures by the Secretary of Agriculture to exporters of agricultural commodities or their products. The debenture rates were one-half the rate of tariff duty in effect with respect to the particular commodity, except that so long as no import duty was imposed on cotton the debenture rate thereon would be 2 cents per pound. Proportionate rates were provided for products of the commodity. Debentures if presented within one year were receivable at face value in payment of duties collectible against any imported articles. In order to prevent undue stimulation in the production of any commodity by reason of the issuance of debentures, reductions in debenture rates were authorized. The greater the increase in production over the average annual production for the preceding five years, the greater the amount of the reduction in the debenture.

The House bill contained no provision upon this subject, and the substitute likewise omits the debenture provisions.

G. N. HAUGEN,
FRED S. PURNELL,
T. S. WILLIAMS,
J. B. ASWELL,
D. H. KINCHELOE,

Managers on the part of the House.

Mr. HAUGEN. Mr. Speaker, the bill agreed upon in conference is identical with the House provisions, with the exception of a few amendments. I shall refer to a few of the amendments.

Mr. ASWELL. Mr. Speaker, will the gentleman yield there?

Mr. HAUGEN. Yes.

Mr. ASWELL. How much time will we have?

Mr. HAUGEN. I expect to yield 20 minutes to the gentleman, if that is agreeable.

Mr. ASWELL. Yes.

Mr. HAUGEN. Mr. Speaker, the bill agreed upon in conference is, as I said, practically the same as it passed the House, with a few amendments. I shall undertake to call attention to a few of the amendments agreed upon in conference.

Section 1, relating to the declaration of policy, is identical with the House provision, except it adds a definition of surpluses in the following language:

There shall be considered as a surplus for the purposes of this act any seasonal or year's total surplus, produced in the United States and either local or national in extent, that is in excess of the requirements for the orderly distribution of the agricultural commodity or is in excess of the domestic requirements for such commodity.

That is the only amendment. Section 2 of the House bill created a farm board to consist of five members, to be appointed by the President, by and with the advice and consent of the Senate; the chairman of the board to be appointed by the President and his term and salary to be fixed by the President; and the Secretary of Agriculture to be an ex officio member of the board. The Senate amendment created a board of 12 members, 1 to be appointed from each of the 12 land-bank districts, the salaries of all to be \$12,000. The conferees agreed upon a membership of eight, and the salary of all is fixed at \$12,000, the Secretary of Agriculture to be an ex officio member of the board. The board is to appoint a vice chairman, who shall act as chairman in case of absence or disability of the chairman. The conferees agreed upon 8 members, 2 to serve for 1 year, 2 to serve for 2 years, and the remaining members to serve for 3, 4, 5, and 6 years, and thereafter for 6-year terms.

Mr. BYRNS. Will the gentleman yield?

Mr. HAUGEN. Yes.

Mr. BYRNS. I want to ask the gentleman if there is any provision in the bill looking to at least a suggestion to the President that these members of the board shall be appointed with

reference to the major agricultural products of the country and also as to the various sections of the country.

Mr. HAUGEN. I will read the provision.

Mr. WILLIAMS of Illinois. Will the gentleman yield?

Mr. HAUGEN. Yes.

Mr. WILLIAMS of Illinois. In section 2, appearing on page 2 of the report, is a provision that the Federal farm board shall consist of so many members, and so on, and then there is the provision that in making the appointments the President shall give due consideration to having the major agricultural commodities produced in the United States fairly represented upon the board.

Mr. BYRNS. That is the only provision?

Mr. WILLIAMS of Illinois. That is the only provision which in any way undertakes to limit or direct the President.

Mr. BYRNS. Is there anything in the bill with reference to the location of the various members of the board?

Mr. WILLIAMS of Illinois. Nothing at all.

Mr. BYRNS. Nor as to politics?

Mr. WILLIAMS of Illinois. That is correct.

Mr. BYRNS. I am sure the gentleman agrees with me that it should be a nonpartisan board?

Mr. WILLIAMS of Illinois. Absolutely.

Mr. HAUGEN. Section 2 (b), relating to general powers, provided that the principal office of the board shall be located in the Department of Agriculture. The Senate provision provides that it shall be maintained in the District of Columbia. The Senate amendment was agreed to.

Section 3 relates to the designation of agricultural commodities. The House provision is agreed to with an amendment as provided in the Senate amendment as follows:

shall meet at the call of the chairman, the Secretary of Agriculture, or a majority of its members.

The House bill did not specify when the meetings were to be held.

Section 3 (b) relates to commodity advisory committees. The House provision is agreed to, with an amendment as provided in the Senate amendment as follows:

Each advisory committee shall be designated by the name of the commodity it represents, as, for example, the "cotton advisory committee."

(c) Each advisory committee shall meet as soon as practicable after its selection, at a time and place designated by the board. Each advisory committee shall meet thereafter at least twice a year upon call of the board, and may meet at other times upon call of a majority of the members thereof. Each advisory committee shall select a chairman and secretary.

(d) Each advisory committee may by itself or through its officers (1) confer directly with the board, call for information from it, or make oral or written representations to it, concerning matters within the jurisdiction of the board and relating to the agricultural commodity, and (2) cooperate with the board in advising the producers through their organizations or otherwise in the development of suitable programs of planting or breeding in order to secure the maximum benefits under this act consistent with the policy declared in section 1.

That is the Senate provision. As to section 4, the House provision provides that the board shall keep advised from available sources and make reports as to crop prices, and so forth; to make investigations and report upon the economic need for reclamation and irrigation projects, but the words "economic need for reclamation and irrigation projects" were stricken from the bill.

Section 5 relates to the revolving fund. The House provision is agreed to with an amendment to strike out "all such loans shall bear interest at the rate to be fixed by the board," and the Senate amendment is agreed to as follows:

SEC. 8. (a) Loans to any cooperative association or stabilization corporation and advances for insurance purposes shall bear interest at a rate of interest per annum equal to the lowest rate of yield (to the nearest one-eighth of 1 per cent) of any Government obligation bearing a date of issue subsequent to April 6, 1917 (except postal-savings bonds), and outstanding at the time the loan agreement is entered into or the advance is made by the board, as certified by the Secretary of the Treasury to the board upon its request; *Provided*, That in no case shall the rate exceed 4 per cent per annum on the unpaid principal.

Also to strike out of the House provision the following:

Repayment of principal on any loans or advances shall be covered into the revolving fund, and payment of interest of any loan or advance shall be covered into the Treasury of the United States.

And the Senate amendment is agreed to, as follows:

(b) Payments of principal or interest upon any such loan or advance shall be covered into the revolving fund.

Referring to subsection (3) of section 5, the House bill provides—

that no loans for the construction, purchase, or lease of facilities shall be made unless the cooperative association demonstrates to the satisfaction of the board that there are not available suitable facilities—

And the provision is agreed to with an amendment to strike out the words "the cooperative association demonstrates to the satisfaction of."

Another Senate amendment is agreed to, as follows:

(5) Enabling the cooperative association applying for the loan to advance to its members a greater share of the market price of the commodity delivered to the association than is practicable under other credit facilities.

And as follows:

All losses of the corporation from such operations shall be paid from such reserves, or if such reserves are inadequate, then such losses shall be paid by the board as a loan from the revolving fund. Any amount so loaned for payment of losses shall be repaid into the revolving fund by the corporation from future profits from its surplus-control operations.

Section 5 (c) relates to clearing-house associations. The House provision is agreed to, with an amendment striking out the following:

And provided further, That such clearing-house association shall operate under such rules and regulations as may be prescribed by the board.

Also inserting after the word "registration" the words "and for the termination of registration," as provided in the Senate amendment.

Also the amendment, as provided in the Senate amendment, as follows:

The association shall utilize the market news service and other facilities of the Department of Agriculture as far as possible.

Section 6. Stabilization corporations: The House provisions are agreed to, except subsection (b), which has been redrafted, embodying certain provisions of the Senate amendment. The time will not permit at this time to go into detail. The redraft of this section is clearly set up on pages 15 and 16 of the report.

The debenture provision has been eliminated.

Mr. WINGO. Right on that point, it has been suggested to me that this farm board could use the debenture plan if it saw fit and found it necessary. Is that true?

Mr. HAUGEN. No; it is not included in the bill.

Section 7 relates to cooperation with Government departments. The Senate provision is agreed to, with an amendment inserting the words "including any field service thereof at home or abroad" after the word "Government" in the third line of the section.

Section 8: For administrative expenses the House bill authorized to be appropriated \$1,500,000. The Senate provided an authorization of appropriation of \$500,000; and the House provision is agreed to.

Section 9 provided that the President is authorized by Executive order to transfer or retransfer the whole or any part of any office. The House provision is agreed to.

Mr. ABERNETHY. Will the gentleman yield?

Mr. HAUGEN. Yes.

Mr. ABERNETHY. I understand that if this goes through, then the money will be available so that this law may go into operation immediately?

Mr. HAUGEN. It will be for the Committee on Appropriations and Congress to appropriate the money. It is being authorized in this bill.

Mr. ABERNETHY. That is the gentleman's understanding—it will be made available?

Mr. HAUGEN. My understanding is that it will be; yes.

Mr. CHALMERS. Will the gentleman yield?

Mr. HAUGEN. Yes.

Mr. CHALMERS. Do you make any recommendation as to how much of the \$500,000,000 shall be made available at once?

Mr. HAUGEN. The recommendation is that the entire \$500,000,000 shall be made available and that it may be drawn as needed.

Mr. WINGO. Will the gentleman yield for a question right there?

Mr. HAUGEN. Yes.

Mr. WINGO. On page 6 of your report, subdivision (b), I find this language:

Any stabilization corporation for an agricultural commodity (1) may act as a marketing agency for its stockholders or members in preparing, handling, storing, processing, and merchandising for their account any quantity of the agricultural commodity or its food products,—

A comma, not a semicolon—

and (2) for the purpose of controlling any surplus in the commodity in furtherance of the policy declared in section 1, may prepare, purchase, handle, store, process, and merchandise otherwise than for the account of its stockholders or members, any quantity of the agricultural commodity or its food products, whether or not such commodity or products are acquired from its stockholders or members.

The last few lines, to me, are about as clear as mud. Will the chairman tell us what they mean?

Here is the point I have in mind, I will say to the gentleman; I read subdivision (b) and I call the gentleman's attention to the fact that (1) and (2) in subdivision (b) are separated by a comma.

Mr. HAUGEN. It reads, "may prepare, purchase, handle, store, process, and merchandise."

Mr. WINGO. Yes; I have read that. I imagine what you are trying to do is to authorize unrestricted open-market operations? Is that true?

Mr. HAUGEN. It says to handle, store, purchase, and merchandise.

Mr. WINGO. Notwithstanding what was said in the debate before, the phrase "open-market operations" has a well-understood meaning as used in the Federal reserve act. "Open-market operations" means to purchase and sell without restriction to members of the organization engaging in the operation. It means to buy or sell from or to any person or corporation, whether they are stockholders in the stabilizing corporations or nonmembers, and is this language intended to give them that authority?

Mr. HAUGEN. Merchandising includes selling and purchasing. There is no question about that.

Mr. WINGO. Does subdivision (b) authorize these stabilization corporations to buy and sell in the open market without regard to whether the persons from whom they buy or to whom they sell are members of a cooperative association or not?

Mr. HAUGEN. It simply provides here that the stabilization corporation—

Mr. WINGO. I know what it states; I want to know what it means.

Mr. HAUGEN. It means exactly what it states—merchandising.

Mr. WILLIAMS of Illinois. Will the gentleman yield?

Mr. HAUGEN. Yes.

Mr. WILLIAMS of Illinois. That refers only to when the stabilization corporation goes out to stabilize the price and to buy in the open market and not to dealing with its members.

Mr. WINGO. In the open market?

Mr. WILLIAMS of Illinois. In the open market.

Mr. WINGO. If the gentleman from Iowa will permit, I would like to ask the gentleman from Illinois whether there is any restriction upon their open-market operations. Can the stabilization corporations buy and sell in the open market without regard to whether the purchaser, when they sell, or the seller, when they buy, is a member or stockholder of the stabilization corporation or not?

Mr. WILLIAMS of Illinois. Mr. Chairman, may I inquire in whose time the gentleman is speaking?

Mr. WINGO. I was not speaking. I stated that with the permission of the chairman, who yielded, I would ask the gentleman from Illinois a question. I have asked the question. Will the gentleman please answer?

Mr. HAUGEN. Mr. Chairman, I yield 30 minutes to the gentleman from Louisiana [Mr. ASWELL].

Mr. ASWELL. Mr. Speaker, I yield 10 minutes to the gentleman from Kentucky [Mr. KINCHELOE].

Mr. WINGO. Will the gentleman yield for a question before he starts?

Mr. KINCHELOE. I want to explain this bill if I can, but I will yield.

Mr. WINGO. Will the gentleman, in the course of his remarks, answer the last question I asked the chairman [Mr. HAUGEN] and the gentleman from Illinois [Mr. WILLIAMS], and which they side-stepped and did not answer?

Mr. PURNELL. Mr. Speaker, nobody is side-stepping anything. That is a very simple question to answer, and I may suggest to the gentleman that if he will wait a moment the question will be fully answered.

Mr. KINCHELOE. Mr. Speaker, I do not yield for this discussion.

The SPEAKER pro tempore (Mr. LEHLBACH). The gentleman from Kentucky has the floor and declines to yield.

Mr. WINGO. I admit it was a very simple question that could have been answered, yes or no. I shall await the answer.

Mr. PURNELL. The gentleman might not be able to submit any other kind. [Laughter.]

Mr. WINGO. Even if I were able, I should not think of asking the gentleman any other kind of question.

Mr. KINCHELOE. Mr. Speaker and gentlemen of the House, in the very short time that we have under the rules on the conference report, if you will indulge me I want to discuss the report and show what changes there are from the original bill as it passed the House, and the only way I know to do it is to follow the bill, and I hope you gentlemen all have before you the bill and the report.

There is no change to amount to anything in the declaration of policy. Consequently I shall not touch upon that.

The House provision with respect to the Federal farm board provided for six members and the Secretary of Agriculture. The conference report provides for eight members and the Secretary of Agriculture. The House bill provided that all the members of the board except the chairman should draw \$12,000 a year, of course, all to be appointed by the President and confirmed by the Senate, except that the House provision provided that the salary of the chairman of the board and his term of office should be fixed by the President.

The House conferees yielded on that. So we now have a board of eight members and the Secretary of Agriculture and the salary is to be \$12,000 a year for the chairman and for each member of the board.

The provision with respect to the advisory commodity committees is just the same as it was in the House except as to its meetings. In the House provision we provided that they should meet upon call of the board except that they should meet at least once a year. We agreed to an amendment that provides they may meet at least twice a year upon the call of the board and may meet at other times when a majority of the members thereof asks for a meeting.

Under the House bill the offices of the farm board were to be in the Department of Agriculture. We yielded on that and provided that the offices of the board should be in the District of Columbia, not necessarily in the Department of Agriculture. Of course, the idea of the House bill was not only to save office rent but that they might be close to the department where they could get information.

Under the special powers of the board the substitute bill contains the identical provisions of the House bill with the exception of omitting the requirement that the board shall have authority to make investigations and report upon the economic needs for reclamation and irrigation projects.

In section 8 (a) we agree to a provision providing for loans to any cooperative associations, stabilization corporations, clearing-house associations, and so forth, and that the rate of interest shall be the same as now provided in the Shipping Board act.

The House bill provided that no loan or insurance agreement should be made to the board if, in its judgment, the agreement is likely to increase unduly the production of any agricultural commodity, of which there is commonly produced a surplus in excess of the annual domestic requirements. When this provision was discussed on the floor of the House, the gentleman from Alabama [Mr. STEAGALL] offered an amendment to strike out the word "domestic" and insert the word "marketing." Also the gentleman from Texas [Mr. SUMNERS] made an able speech in behalf of this amendment, but the amendment was defeated.

The conferees of the House, on their own initiative, got the Senate conferees to yield, and they have put in the word "marketing" instead of "domestic."

The stabilization corporation provision, the most important part of the bill, was rewritten.

Mr. COOPER of Wisconsin. Will the gentleman yield?

Mr. KINCHELOE. I yield.

Mr. COOPER of Wisconsin. Will the gentleman please tell the distinction between a distribution of and excess of domestic requirement and the distribution of any excess in market requirements. What is the difference?

Mr. KINCHELOE. It would take considerable time to explain that, but the reason we changed that is that we always have an excess of domestic requirements of certain commodities, like wheat, cotton, and some tobacco. If we confined ourselves to the language of the original House bill provision, the domestic requirement, it always exists, and therefore, in my judgment, the board would be prevented from making any loans at all on some classes of tobacco, wheat, or cotton, and so we put in the word "marketing" instead of "domestic." In other words, I do not think wheat, cotton, and some parts of tobacco could get any loan at all under the original House provision.

The House bill provided for the creation of stabilization corporations for two purposes: First, to act as a marketing agency for its stockholders or members; and, second, for controlling any surplus in the commodity in furtherance of the policy declared in section 1. The conferees rewrote this section, which is section 9 in the conference report, but the stabilization corporation has the same powers as it had in the original bill.

But the stabilization corporation when it borrows money for the purpose of marketing the products of the cooperatives can not borrow money for the purpose of equipment. That is one difference. Secondly, as I say, they borrow for the purpose of controlling the surplus, and taking it off the market, and I want to read this that the gentleman from Arkansas [Mr. Wingo] was so anxious about:

(2) For the purpose of controlling any surplus in the commodity in furtherance of the policy declared in section 1, may prepare, purchase, handle, store, process, and merchandise, otherwise than for the account of its stockholders or members, any quantity of the agricultural commodity or its food products, whether or not such commodity or products are acquired from its stockholders or members.

The SPEAKER pro tempore (Mr. LEHLBACH). The time of the gentleman from Kentucky has expired.

Mr. KINCHELOE. Has the gentleman from Louisiana any more time?

Mr. ASWELL. The only time remaining that I have not promised is three minutes, and I yield those to the gentleman.

Mr. KINCHELOE. I thank my colleague. So then they can borrow, as I say, for the purpose of taking the products off the market in the case of a glut, and they can buy from an individual or their own members, or anybody else. If they borrow that money for marketing purposes, they must take 75 per cent of their profit and put it into the surplus fund for this purpose, provided there is not already a sufficient surplus fund in there to put this over, and to make it a safe transaction. Then, after they put 75 per cent in there, the other 25 per cent may be used for one of two purposes, or both; first, to pay back to the board any loans outstanding from the revolving fund, from which it was borrowed for the purpose of marketing, and then, if there is anything left in the way of profit, it goes to the stockholders of this stabilization corporation. Personally, if I had my way about it, I would not put the question of marketing in the stabilization corporation at all. I should confine it simply to the purpose of taking the surplus off the market; but we have done it and I think it is safe, because they can borrow only for marketing purposes, they can not borrow for facilities, and, therefore, the member cooperatives of the stabilization corporation, when the stabilization corporation markets for them, must furnish equipment, must furnish all the capital practically; and I do not see how the stabilization corporation would ever lose a dollar in marketing but I was just a little bit afraid that there would be duplication of effort between the member cooperatives and the stabilization corporation itself in this field of endeavor. Under that provision no loss comes out of the Treasury, but it does provide in subsection (d), where they borrow the money for the purpose of relieving a congested market, that they must maintain a reserve, and then if they lose that reserve and they make any more money in subsequent transactions in after years, they have to pay it back, but if they lose entirely, it specifically provides that whatever loss the stabilization corporation eventually suffers by reason of taking any surplus crop off the market in order to stimulate the price, then the loss eventually will come out of the Federal Treasury, if the reserve is all wiped out.

The insurance provision of the House bill was stricken out entirely and the Senate provision was inserted, which is section 11 of the conference report. These, in substance, are the changes made in the House bill. However, all essential features of the House bill have been retained.

Mr. Chairman, the struggle for farm legislation in the House has been a long and tedious one. The first McNary-Haugen bill was introduced in the House on January 16, 1924, and hearings began January 21 of the same year. This bill was defeated in the House. Then what are known as two more McNary-Haugen bills were passed by both Houses of Congress and vetoed by the President. So the Committee on Agriculture, of which I have the honor to be a member, has been making every effort to enact some farm legislation that would redound to benefit agriculture for over five years. I believe that this bill is sound in every particular. It will not, in my judgment, rehabilitate agriculture over night. I have every reason to believe that the President of the United States will appoint a brainy and sympathetic farm board to administer this law. I have gained that impression in every conference that I have had with him. With a brainy and sympathetic farm board and a revolving

fund of \$500,000,000 to assist in the rehabilitation of agriculture, I think that agricultural products will be stabilized and that seasonal gluts will not occur. As I said in my speech when this legislation was pending before the House, I made up my mind before I came to Washington to attend this extra session that I was going to do everything I could as a member of the Committee on Agriculture to secure the best farm bill possible that would be signed by the President, and that no politics would enter into my activities in this matter. I am glad to say that there has been no politics in the framing of this bill by the Subcommittee on Agriculture, or the Agricultural Committee, and certainly there has been no politics with the five conferees of the House in its deliberations with the conferees of the Senate. If I have been of service in this matter I am happy, because no one in Congress wants to see agriculture rehabilitated any more than I do and I think this is a great step in the right direction. If the bill is imperfect, Congress will be in session all the time and it can be amended. No great constructive piece of legislation was ever perfect in the first law enacted. I sincerely trust that this legislation will be of great service to the farmers of the Nation, and I heartily thank the House for its cooperation with the Committee on Agriculture and the conferees in the passage of this bill. [Applause.]

The SPEAKER pro tempore. The time of the gentleman from Kentucky has again expired.

Mr. ASWELL. Mr. Speaker, I yield 10 minutes to the gentleman from Texas [Mr. JONES].

Mr. JONES of Texas. Mr. Speaker, I think the conferees have very materially improved this bill, but I think they overlooked the greatest opportunity to improve the bill which was offered to them. I do not believe anyone would undertake to offer the so-called debenture plan as an original proposition, but as a part of the tariff system I do not believe a man lives who can deny its logic or its justice. It has been frequently stated that a protective tariff tends to protect the home-market manufacturer against the cheap foreign laborer. The cotton producer, and in large measure the wheat producer, must not only compete with cheap foreign labor but with the added handicap of a higher market in which he must buy his supplies. My chief purpose in rising to-day is to call attention to two or three different forms of export premium. Some of the big newspapers of this country through their editorial columns have pronounced the export premium plan a subsidy. I call attention to the fact that the method, if it be a subsidy, is not new.

A subsidy is a subsidy, whatever its name. For many years the railway rates from interior points to points of exportation have been very much less when the manufactured article was destined to a foreign country than the rates on such articles when intended for domestic use.

I recently asked the Interstate Commerce Commission about these rates, with special reference to some of the items. I find that farm implements, when they are intended for use in this country, bear a rate almost twice as high as the same implements bear when they are intended for use in foreign countries. For instance, farm implements shipped from Chicago, Ill., to San Francisco, Calif., for export trade carry a railway rate of \$1 per hundred; if they are intended for domestic use the freight charge is \$1.93 per hundred. This is a direct export bounty or premium. If it is all right to pay an export premium in the form of reduced rates which must be made up in the rise of the general rate structure of the country for the exportation of farm implements which the farmer must buy when he produces surplus crops, is it unfair to allow him an export premium on his surplus commodity which he ships abroad and which he produces with those farm implements?

Farm implements shipped from Cincinnati, Ohio, to New Orleans, La., bear a rate of 38½ cents per hundred if intended for the export trade and 69 cents per hundred if they are intended for domestic use.

In other words, loading them at the same station and unloading them at the same station, freight rates are nearly twice as much on farm implements when purchased by the farmers of this country than when they go into export trade. I would like some of these newspapers which have been crying subsidy to think about that, and I appeal to the press gallery to carry that to the country. I know the newspapers want to be fair. Let them tell us editorially just why an export premium on farm products is a subsidy and why an export premium in the form of reduced railway rates for exports of manufactured commodities is merely good business.

Mr. WILLIAMS of Illinois. Mr. Speaker, I make the point of order against the gentleman from Texas.

The SPEAKER pro tempore. What is the point of order?

Mr. WILLIAMS of Illinois. The gentleman is addressing the gallery and not addressing the House.

The SPEAKER pro tempore. The Chair sustains the point of order.

Mr. JONES of Texas. The gentleman from Illinois [Mr. WILLIAMS] should be an expert in addressing the press gallery, and I yield to his superior wisdom on that. I just want to say this: Two or three times the gentleman who writes the "blister column" for the Washington Post—though I understand now that he has transferred his affections—Mr. George Rothwell Brown, has referred to the debenture as a subsidy. I recognize in Mr. Brown a brilliant and intelligent man, and I pay tribute to brilliance and intelligence wherever I find them. But I would like for him to write in his column what he thinks about the export premium which is allowed in the form of reduced railway rates on export steel of about 50 per cent. I am going to put into the Record a number of those steel rates that are reduced around 50 per cent, which have been in effect nearly 30 years.

Mr. SUMNERS of Texas. Mr. Speaker, will the gentleman yield?

Mr. JONES of Texas. I yield to the gentleman for a question.

Mr. SUMNERS of Texas. Does the gentleman say the foreigner receives cheaper freight rates than the American?

Mr. JONES of Texas. Yes. A foreigner, when he buys an automobile, pays half rates and the American farmer pays full rates; and the same on steel; the same is true of farm implements.

There are no such reduced rates on export cotton. True, only recently a small reduction on export wheat was allowed, but this is an emergency proposition; but the reductions on manufactured products mentioned are woven into the permanent rate structure of the country.

Mr. RAGON. Mr. Speaker, will the gentleman yield?

Mr. JONES of Texas. Yes.

Mr. RAGON. Who is responsible for that? Does the Government have anything to do with it?

Mr. JONES of Texas. The Interstate Commerce Commission—and the Congress created the Interstate Commerce Commission—has the power over these rates.

The United States Steel Co. and other steel companies pay 40 cents a hundred in freight rates from Chicago to San Francisco when intended for export and \$1 per hundred when intended for domestic use. The dividends of the United States Steel Co. for the past 26 years have ranged from 4 per cent to above 30 per cent per annum, averaging a dividend of 12.77 per cent on its common stock per annum for the last 26 years. I am not attacking the steel company. I glory in the success of American business institutions. I ask the big newspapers of the country to state editorially whether that export premium is justified. If one is justified, why is not the other? Why has cotton, the greatest export commodity in America, never had these preferential rates?

Mr. ADKINS. Mr. Speaker, will the gentleman yield?

Mr. JONES of Texas. Not now. Is it just and fair to give these reduced rates to the steel companies when their goods are shipped for export and not do the same for the farmers?

Let me give you a few more instances. On automobiles from Cleveland to New Orleans, La., the rate is \$1.04 per hundred for export and \$2.46 a hundred for domestic use. From Moline, Ill., to New Orleans the rate for export is 84 cents and for domestic use twice as much. The consumer who lives around New Orleans when he buys a car must pay twice as much freight from Moline to New Orleans as is charged if the car goes to a foreign consumer.

I ask why the controlling authorities who have permitted these export premiums for 30 years are so outraged when a premium is suggested for the farmer. I do not say that in order to stimulate the world trade these preferential rates are not justified. The rate structure of this country is a tremendously intricate one. I would not undertake to pass judgment on that; but I do insist that if it is fair to say to the steel concerns and the automobile concerns and the farm-implement manufacturers that they shall have a subsidy in the form of reduced rates why would it not be fair to say that the farmer in shipping his products abroad should also have reduced rates or an export premium?

I have fought to the best of my ability to secure a farm bill that will place agriculture and industry on an equal basis before the law. While this is not my ideal of a bill, the last opportunity to change it has passed. The gentleman from Kentucky has just stated that subdivision (d) of section 8 has been so changed as to leave no doubt that loans may be made for crops that are annually produced above the domestic requirements. This is also in accordance with my understanding of the language. I therefore withdraw any opposition to the bill. I shall hope for success for the measure and shall be happy to contribute in any way to that success.

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The SPEAKER pro tempore. The time of the gentleman from Texas has expired.

Mr. JONES of Texas. Mr. Speaker, I ask unanimous consent to insert two letters from the Interstate Commerce Commission, giving various rates on which the export rate is cheaper than the local rate, and also to insert a statement showing the profits of the United States Steel Co. since 1901. These merely for the purpose of showing that there is at least no greater need for a premium on export steel than on cotton or other surplus farm commodity.

The SPEAKER pro tempore. The gentleman asks unanimous consent to extend his remarks in the manner indicated. Is there objection?

There was no objection.

INTERSTATE COMMERCE COMMISSION,
BUREAU OF TRAFFIC, SECTION OF TARIFFS,
Washington, May 18, 1929.

Memorandum: Request Hon. MARVIN JONES, House of Representatives, Washington, D. C., May 16, 1929.

Present rates on manufactured iron and steel articles, carloads, for export and for domestic use
[Rates apply in cents per 100 pounds]

From—	To—	Rates	
		When for export	When for domestic use
Chicago, Ill.	San Francisco, Calif.	1 40	2 100 or 2 125
Gary, Ind.	New York, N. Y.	1 34	2 50 1/2
Pittsburgh, Pa.	do.	1 20 1/2	2 34

- 1 Subject to minimum carload weight of 80,000 pounds.
2 Subject to minimum carload weight of 60,000 pounds.
3 Subject to minimum carload weight of 40,000 pounds.
4 Subject to minimum carload weight of 45,000 pounds.
5 Subject to minimum carload weight of 36,000 pounds.

INTERSTATE COMMERCE COMMISSION,
BUREAU OF TRAFFIC, SECTION OF TARIFFS,
Washington, June 3, 1929.

Memorandum: Request Hon. MARVIN JONES, House of Representatives, Washington, D. C., May 28, 1929. Present rates on agricultural implements and automobiles for export and for domestic use.

We have chosen producing points for the two commodities indicated and have compiled present rates therefrom to west coast, Gulf coast, south Atlantic coast, and north Atlantic ports, as follows:

Agricultural implements (including harvesting machinery), carloads
[Rates in cents per 100 pounds]

From—	To—	Export	Domestic
Chicago, Ill.	San Francisco, Calif.	100	193
Waterloo, Iowa	do.	100	186
Cincinnati, Ohio	do.	100	200
Atlanta, Ga.	do.	120	225
Chicago, Ill.	New Orleans, La.	1 47 1/2	73
		2 41 1/2	
		1 65	
Waterloo, Iowa	do.	1 57 1/2	90
Cincinnati, Ohio	do.	38 1/2	69
Atlanta, Ga.	do.	33 1/2	63
Chicago, Ill.	Savannah, Ga.	1 41 1/2	87
		2 47 1/2	
Waterloo, Iowa	do.	1 55	103 1/2
		2 69	
Cincinnati, Ohio	do.	38 1/2	76
Atlanta, Ga.	do.	30 1/2	33
Chicago, Ill.	New York, N. Y.	47 1/2	56 1/2
Waterloo, Iowa	do.	72 1/2	83
Cincinnati, Ohio	do.	41 1/2	49
Atlanta, Ga.	do.	53	81

1 Applies when destined to insular possessions of United States, Panama, Canal Zone, all foreign countries other than Europe, Africa, Canada, Newfoundland, and Nova Scotia.

2 Applies when destined to Europe, Africa, Asia, Australia, New Zealand, Philippine Islands, and South America.

3 Applies when destined to Europe and Africa.

4 Applies when destined to Asia, Australia, New Zealand, and Philippine Islands.

5 Applies when destined to Africa, Europe, and South America.

6 Applies when destined to insular possessions of United States, Canal Zone, and foreign countries other than Africa.

7 Applies when destined to all foreign countries except as included in reference 4.

Automobiles (passenger), carloads
[Rates in cents per 100 pounds]

From—	To—	Export	Domestic
Cleveland, Ohio	San Francisco, Calif.	210	480
Detroit, Mich.	do.	210	465
Moline, Ill.	do.	210	450
Cleveland, Ohio	New Orleans, La.	174	242

Automobiles (passenger), carloads—Continued

From—	To—	Export	Domestic
Detroit, Mich.	New Orleans, La.	174	239
Moline, Ill.	do.	84½	215
Cleveland, Ohio.	Savannah, Ga.	105½	218
Detroit, Mich.	do.	116½	224
Moline, Ill.	do.	174	218
Cleveland, Ohio.	New York, N. Y.	75	111
Detroit, Mich.	do.	82½	122
Moline, Ill.	do.	123½	182½

UNITED STATES STEEL CORPORATION

MAY 21, 1929.

I. ORIGINAL CAPITAL STOCK WHEN INCORPORATED.

"The authorized capital stock consists of \$550,000,000 7 per cent cumulative preferred and \$550,000,000 common stock. Par value, \$100 per share. Listed, July 1, 1901: \$508,486,300 preferred and \$506,473,000 common stock." (Moody Corporation Securities 1901, vol. 2, p. 712.)

II. PRESENT CAPITAL STOCK

"Common, \$711,623,500; preferred, \$360,281,100; total, \$1,071,904,600."

Quoted from twenty-seventh annual report for the fiscal year December 31, 1928, as given in Commercial and Financial Chronicle, March 23, 1929, volume 128, page 1934.

III. Total dividends paid for each year since organization

[Quoted from Poor's Industrials, 1928, p. 1286]

Year	Preferred dividends	Balance for common	Earned on common
			Per cent
1901	\$26,752,894	\$34,642,309	9.08
1902	35,720,177	54,586,347	10.74
1903	30,404,173	25,012,479	4.92
1904	25,219,677	5,047,852	.99
1905	25,219,677	43,365,815	8.53
1906	25,219,677	72,908,910	14.34
1907	25,219,677	79,345,887	15.61
1908	25,219,677	20,509,037	4.08
1909	25,219,677	53,854,018	10.59
1910	25,219,677	62,187,508	12.23
1911	25,219,677	30,080,620	5.92
1912	25,219,677	29,020,372	5.71
1913	25,219,677	55,997,309	11.02
1914	25,219,677	11,722,909	
1915	25,219,677	50,614,155	9.95
1916	25,219,677	246,312,054	48.46
1917	25,219,677	198,999,888	39.15
1918	25,219,677	112,312,700	22.09
1919	25,219,677	51,574,906	10.14
1920	25,219,677	84,474,551	16.62
1921	25,219,677	11,397,340	2.24
1922	25,219,677	14,433,778	2.83
1923	25,219,677	83,487,387	16.42
1924	25,219,677	59,847,515	11.73
1925	25,219,677	65,382,977	12.86
1926	25,219,677	91,447,728	17.99
1927	25,219,677	62,677,159	8.80

19 months only.

Debit.

Dividends for 1928

Preferred, 7 per cent.	\$25,219,677.00
Common, 7 per cent.	49,813,645.00

Surplus net income..... 39,140,452.74

Quoted from the twenty-seventh annual report for the fiscal year December 31, 1928, in Commercial and Financial Chronicle, March 23, 1929, volume 128, page 1935.

LOUIS R. DEROUEN.

Mr. ASWELL. Mr. Speaker, I yield two minutes to the gentleman from Texas [Mr. SUMNERS].

The SPEAKER pro tempore. The gentleman from Texas is recognized for two minutes.

Mr. SUMNERS of Texas. Mr. Speaker, I would like to have the attention of the Members of the House, and particularly the attention of the House conferees on this bill.

First I want to express my appreciation of the action of the conferees incorporating in the conference report language which effects a very important improvement in the bill. I understand those changes were effected at the suggestion of the House conferees. I refer to the changes in subsection (d) of section 8 of the conference report which was subsection (e), section 5, of the House bill. I am grateful to those gentlemen for that modification.

In view, however, of certain language remaining in the bill and the broad discretion with which the board is to be entrusted, I would like to have incorporated in the RECORD, as a construction of the whole bill before the House votes on the conference report, an answer to this question: Is it a fact that the conference report as agreed upon gives to the pro-

ducers of exportable surpluses the same benefits under the bill which are given to producers whose sales are limited to the domestic market, and that in practical operation "surplus" as applied to commodities produced for the world market, would be that part of the production in excess of world requirements?

Mr. PURNELL. I think there is no question but that section 8 (d), which retains the House provision as modified, limits the restriction to commodities of which there is an excess in domestic and foreign markets.

Mr. SUMNERS of Texas. How does the gentleman answer my question?

Mr. PURNELL. Yes.

Mr. SUMNERS of Texas. I am glad to be able now to vote for the conference report.

The SPEAKER pro tempore. The time of the gentleman from Texas has expired.

Mr. ASWELL. Mr. Speaker, I yield five minutes, the remainder of my time, to the gentleman from Oklahoma [Mr. HASTINGS].

The SPEAKER pro tempore. The gentleman from Oklahoma is recognized for five minutes.

Mr. HASTINGS. Mr. Speaker, the farm bill has been improved, in my judgment, by a number of helpful amendments.

The membership of the board has been increased to nine, including the eight members, and the salaries of all definitely fixed at \$12,000 per annum.

The bill as it passed the House made a strange departure from our usual method of legislating by making the term of the chairman uncertain and permitting the President to fix the salary. Both of these have been corrected. It is inconceivable to me that any Member should have voted against either of these amendments while the bill was pending in the House. If such a departure had been enacted into this law, the same argument for indefinite terms of service and for authority to fix the salary of any official would have been used during the consideration of practically every piece of legislation to come up hereafter in Congress for consideration. It would have established a dangerous precedent. The responsibility is with Congress. We should assume it, and I am glad that this conference report makes these corrections.

Another helpful amendment which a number of us urged while the bill was under consideration in the House is that contained in subdivision 5, section 7, authorizing loans from the revolving fund to cooperative associations for the purpose of—

(5) enabling the cooperative association applying for the loan to advance to its members a greater share of the market price of the commodity delivered to the association than is practicable under other credit facilities.

I invited attention to the fact, while this bill was pending, that the language was not explicit in this regard and that it would not, in my judgment, authorize these advances to be made and that the language should be more definite and specific. The language of the bill should not be made to conceal the purposes of the legislation, but should always be clear and specific. This provision authorizes these loans to be made for the purpose of making these advances pending the marketing of farm products.

Another helpful amendment is found in subdivision (a) of section 8, fixing the rate of interest on loans made from the revolving fund to any cooperative association or stabilization corporation and advances for insurance purposes which shall bear interest equal to the lowest rate of yield of any Government obligation, with the proviso that in no case should it exceed 4 per cent. This amendment was urged while the bill was in the House for consideration. The House during the consideration of the bill was in no mood for any amendment, and it was found that it was determined by those in charge of the bill to pass it without amendment as reported, and to adopt no constructive suggestions, however helpful, that were offered. This amendment will enable these associations and corporations to figure with certainty and definiteness the amount of interest they will be required to pay.

Another beneficial amendment authorizes the board to maintain its principal office in the District of Columbia and does not require it in the Department of Agriculture. It lifts it from the status of a subordinate bureau dominated completely by the Secretary of Agriculture to the prestige and dignity of an independent board. It will result in greater independence and freedom of action.

One other suggestion which I urged in the House was not incorporated into the bill and that was to authorize the board to enter into agreements of insurance of the stabilization corporations against loss through price decline, the same that is

done with cooperative associations. I see no reason why this insurance should not be extended to stabilization corporations. It would be a most helpful amendment, and I regret it is not incorporated in this bill.

Another constructive criticism which I desire to make is that in my judgment the powers conferred upon the stabilization corporation, if I may use the term, are too hazy and are not sufficiently definite, and I fear that disappointment will be voiced throughout the country by those who read and attempt to analyze the bill, that the authority conferred upon stabilization corporations, and the methods to be used, are not enacted in clearer language or more definite detail.

As I took occasion to say when this bill was before the House for consideration, I regard it as the first step and believe that its benefits are largely educational and that, in my judgment, it would lead to recommendations by the board and to more helpful and beneficial legislation to place agriculture on a parity with industry.

Much will depend upon the personnel of the board appointed to administer the law. If a broad-minded, sympathetic board is appointed, familiar with agriculture and agricultural conditions, it can and will be helpful to agriculture. Everyone appreciates the depressed condition of the farmer, and while I share the opinion that this bill should go much further, I regard it as the first step. [Applause.]

Mr. HAUGEN. Mr. Speaker, I yield one minute to the gentleman from Iowa [Mr. COLE].

Mr. COLE. Mr. Speaker, I have taken some pains to prepare a statement on the effect of countervailing duties on debentures. I had hoped to get time enough to permit me to present it in connection with this conference report. But the time is limited to one hour, so that we may get this important legislation back to the Senate, and there are many here who are more entitled to that time than I am, men who deserve to be heard, for they have perfected a splendid piece of legislation.

And so I am going to ask permission to extend my remarks on this subject of countervailing duties as offsets for the proposed debentures—and I hope, and I know, you will all want to read my statement.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. COLE. Mr. Speaker, now that the debentures amendment has been eliminated from the farm bill, it may be pertinent to call attention to the fact that the benefits which would have accrued to producers were more hypothetical than real.

The assumption has been that these debentures would be automatically added to the prices received by the producers. On that assumption a Member from Missouri [Mr. CANNON] stated on the floor the other day that if these debentures were now paid farmers would be getting the benefit of them, and I think he computed these benefits in actual dollars and cents.

He did not take into consideration that these debentures would be paid to exporters, and that they are available only in payment of import duties. In the ordinary processes of business the exporter who receives these debenture certificates, not being an importer, would sell them to an importer, probably through some Wall Street broker. Needless to say there would be discounts and commissions and other coverage charges so well known in the business world. The chances are that there would be little left for the actual producer to be reflected back in the form of higher prices. These gains fluently promised may be likened to the mythical gains of the woman who carried the famous basket of eggs on her head, but stumbled before the chickens were hatched.

But there is a more serious phase of this question that I want to set forth briefly this morning. It is one that has been almost ignored in the debates on this question. I refer to the effect of what are known as countervailing duties, which would be offsets for these proposed debentures. At my request, the Bureau of Foreign and Domestic Commerce of the Department of Commerce has furnished me with information as to these countervailing duties in the tariff laws of foreign countries. It is disclosed that such duties are provided for in the tariff laws of practically all countries, both in Europe and the Orient, and those who are not so provided can quickly enact them, or have other means of making such countering effective. In Great Britain and in Canada we know that such things can be done through what are called "orders in council," which can be promulgated to meet any contingency and that overnight.

What are countervailing duties? To countervail literally means to oppose with equal power. As used in tariff laws, they mean to offset in an importing country any bounty, privilege, or other benefit granted in an exporting country.

In our own country we are firmly and consistently committed to a system of countervailing duties, and we have repeatedly made use of them. Such duties have been embodied in tariff acts framed by both Republicans and Democrats. In the tariff act of 1922 they are found in section 303, and this section is copied word for word into the bill which the House has just sent to the Senate. Here is some of the language:

Whenever any country, dependency, colony, province, or other subdivision of government, person, partnership, association, cartel, or corporation shall pay or bestow, directly or indirectly, any bounty or grant upon the manufacture or production or export of any article or merchandise manufactured or produced in such country, dependency, colony, province, or other political subdivision of government, and such article or merchandise is dutiable under the provisions of this act, then upon the importation of any such article or merchandise into the United States * * * there shall be levied and paid, in all such cases, in addition to the duties otherwise imposed by this act, an additional duty equal to the net amount of such bounty or grant, however the same be paid or bestowed.

Note how explicit the language is. It is both water-tight and air-tight. No nation can assist its exporters to get over our tariff barriers, directly or indirectly, without encountering the American customs collector. The amount of the countervailing duties which the collector must add must be the net equivalent of the bounties or benefits paid or bestowed by the exporting country.

It will be recalled that during the McKinley administration our Treasury Department imposed such countervailing duties against somewhat indirectly subsidized sugar from Russia. The importer protested the payment of the additional duty on the ground that the advantage enjoyed could not be construed as a bounty or subsidy. The issue was tried in our courts, not in theirs, with the result that the American Treasury was enriched exactly to the extent that the Russian Government had attempted to assist her exporters of beet sugar. (In the Supreme Court case of *Downs v. United States*.) The bounty went into the Treasury of the United States and did not accrue to the benefit of the Russian sugar producers or the exporter thereof.

I might cite many more cases. The Bureau of Customs informs me that at the present time the United States is levying countervailing duties on sugar, jams, confections, butter, and fencing wire exported from Australia under bounty or other stimulation.

From the same source I have the information that we are levying such countervailing duties on spun silk yarn from Great Britain.

Is it reasonable to suppose that Australia and Great Britain would treat our debenture-fed exports to them more leniently than we do theirs? Or have our political theorists evolved the doctrine that in trade and commerce we do not do unto others as others do unto us?

The iniquity, at least the absurdity, of the proposed debentures consists, in part, in a brazen and unblushing attempt to do to other countries exactly what under both Republican and Democratic tariffs we have effectually prevented from being practiced on us. Is anyone foolish enough to think that we can do this, though we tried it by any manner of subterfuge of phraseology, when nearly all countries have laws like or similar to our own, and that those countries which have no express statutes on the subject have other methods of preventing invasions of their markets by artificially stimulated imports?

Is it reasonable to assume, I repeat, that other countries would permit from us what we prohibit from them? England, for instance, is just as ready to protect her loyal subjects in Canada and Australia against subsidized or bounty-fed or debenture-fed competition in her markets as we are to protect Americans in our own markets. And has not Germany, to cite another instance, ever been ready to go to extreme limits to protect her agriculture against such competition?

It will be recalled that in one case when Germany found herself unable to protect her hog growers under her tariff laws against the hog products of 20-cent corn fed in the Mississippi Valley, that she prohibited the importation of all American pork products on the alleged ground of the unwholesomeness of such products because of the prevalence of trichina, which, as a matter of fact, did not exist.

England is never asleep when trade policies and practices are at stake. Recently when the railroads, at the suggestion of President Hoover, reduced freight rates on wheat from the interior to the seacoast to facilitate disposal of the surplus, the 6 or 7 cents were immediately reflected in the Liverpool prices, thus translating the bounty of our railroad into benefits for the British consumers of wheat.

What Canada's attitude is on such matters we know also. When bounty-fed butter from Australia was offered in her ports she added countervailing duties in equivalent amount to protect her own butter producers.

When New Zealand proposed to offset the increased duty on butter from 8 to 12 cents a pound, under the proclamation of President Coolidge she was notified that any such bounty paid would be added to our existing tariff duty under section 303 of the tariff act.

Let us take a concrete illustration of the operation of such countervailing duties. The duty on lard is 1 cent a pound. The debenture that would be paid to the exporter of lard would be one-half of that duty, or one-half of 1 cent a pound. The packer exports the lard and receives his debenture certificate. At the foreign port he would encounter an equivalent countervailing duty. The benefit which he received on the American side would be offset by an equivalent penalty on the foreign side. He would get no more for his lard by reason of the debenture, and therefore he could not pay more for the hogs from which the lard is derived.

As a matter of fact, the debenture would be a handicap instead of a benefit in such case. The debenture certificates are good only in payment of import duties. But the exporter is not an importer, and so he would have to sell his certificate to some importer, probably, as already stated, through some Wall Street broker. In order to break even he would have to deduct from the price paid to the farmer for his hogs the discount he would be compelled to accept on his debenture plus a reasonable charge for interest on the countervailing duties he would have to pay in advance on the other side of the ocean.

In such transactions the total face value of the debenture would be taken out of the Treasury of the United States in an indirect way and be transferred to the treasury of the foreign country in a very direct way. Does anyone doubt who would be the ultimate loser?

Instead of being styled an amendment for the benefit of agriculture, these debentures might more properly be styled a device to enrich foreign treasuries at the expense of the American Treasury.

Those who put their trust in such promises of politicians may sit down with the psalmist to eat "ashes like bread." [Applause.]

Mr. HAUGEN. Mr. Speaker, I yield four minutes to the gentleman from Indiana [Mr. PURNELL].

Mr. PURNELL. Mr. Speaker, ladies and gentlemen of the House, obviously in four minutes none of us can hope to discuss more than two or three of the high spots of this bill. Personally I am very much delighted that in coming back to the House with this conference report we are able to report the elimination of the so-called debenture plan. [Applause.] For the benefit of the House, as well as the country, and without discussing the merits or demerits of the debenture plan, we recognize the fact that the debenture plan and the equalization fee were not discussed in the last campaign; they were not written into any party platform; and that the incorporation of either in a farm relief bill at this time could result in but one thing, namely, no farm relief legislation.

In addition, the President of the United States, who must of necessity be the head of this great organization and responsible for the success or failure of the board which he creates, has expressed himself as opposed to the debenture plan, and therefore without going into the question of its merits, the House conferees regarded it as an absolute waste of time to discuss it. [Applause.] After five days of watchful waiting on the part of the House conferees, during which time nothing was done, we began the consideration of the other points of controversy in the bill and now bring back to the House what, in my judgment, is the best farm relief bill ever presented to the Congress of the United States. [Applause.]

This bill, in my judgment, is an improvement in many respects over the House bill. We have retained, with one or two exceptions, all of the major features of importance which were in the original House bill. Personally, I reluctantly yielded upon that provision in our bill which gave to the President the power to appoint the chairman of the board and fix his salary. I still think it was a mistake to take out this provision. I wanted the President of the United States to go out into the highways and byways and do exactly what big business does—select the best man to be found and pay him in accordance with his ability [applause], because that man, whoever he may be, will head the greatest marketing organization that has ever been set up in this country.

In my judgment, the next 10 days will see the enactment into law of this farm relief bill and a realization of the dreams of many of us who have worked in season and out for the last 10 years to bring this about. I undertake to predict further, that

in a short time farm products in this country will feel very keenly the helpful effect of this new legislation.

Mr. FORT. Will the gentleman yield?

Mr. PURNELL. I yield to my colleague on the committee.

Mr. FORT. I am very much interested in the gentleman's views, as one of the conferees, as to whether it is his sense, and as he understands it, that of the other conferees, that in the stabilization corporation provisions, the board, in approving the by-laws of such a corporation may insist upon such conditions as will protect the Government against undue loss or liability from unwise operations of the corporation.

The SPEAKER pro tempore. The time of the gentleman from Indiana has expired.

Mr. PURNELL. Mr. Chairman, may I have one minute more, because I think this is an important question?

Mr. HAUGEN. Mr. Speaker, I yield the gentleman one additional minute.

Mr. PURNELL. I want to say to the gentleman that if that is not true the House conferees are mistaken. We believe absolutely that the board has the power to so protect the funds in the revolving fund and hedge them about with by-laws, rules, regulations, or whatever else may be necessary so as to reduce such losses to a minimum.

Mr. FORT. The board has that power?

Mr. PURNELL. Yes.

Mr. CRISP. Will the gentleman yield for just a short question?

Mr. PURNELL. I am sorry, but before I sit down I want to express the appreciation that the Republican members of the conference have of the services rendered by the gentleman from Louisiana [Doctor ASWELL] and the gentleman from Kentucky [Mr. KINCHELOE]. [Applause.] I want to say that in the deliberations in connection with this bill, as well as in the consideration of bills previous to this, there has been no thought of politics on their part or our own, and that at all times they have been most helpful and fair in our common effort to place on the statute books a sound and constitutional farm relief measure. [Applause.]

Mr. HAUGEN. Mr. Chairman, I yield three minutes to the gentleman from Illinois [Mr. WILLIAMS]. [Applause.]

Mr. WILLIAMS of Illinois. Mr. Speaker, I know the House is ready to vote, and, of course, I can not punish you very much in three minutes. I do want to say, however, that, in my judgment, the report of the conference committee which is now before the House brings back to the House a bill which in every vital sense retains the principles of the original House bill.

We have improved the bill. We had a fine conference. The conferees of the Senate and the conferees of the House, during the 10 days we discussed this bill, went over almost every line, especially every paragraph, of the bill, and the bill was improved.

The cardinal differences between the House bill and the Senate bill in which the conferees of the House felt they must sustain the House was with respect to the stabilization corporations and the commodity committees.

The House bill provided that these should be farmer-controlled agencies. The House bill provided that the commodity committees should be selected by the cooperatives themselves, while the Senate bill provided that the board should select the commodity committees. The provisions of the House bill are retained in the conference report.

The House bill provided that the stabilization corporations should be set up by cooperative organizations and that they should own all the stock in the corporations. The Senate bill provided that the board should organize the stabilization corporations and that the Government of the United States should subscribe to stock in the corporations which, in effect, put the Government of the United States squarely into the business of merchandising and marketing farm products. The bill we return to you now preserves the provisions of the House bill. [Applause.]

These agencies, the commodity committees and the stabilization corporations, are not Government instrumentalities. They are instrumentalities created, controlled, owned, and managed by the farmers of the United States themselves.

We bring back this bill in all of its essential features as it was passed by the House of Representatives. In my opinion, it carries out every promise made by the Republican Party at Kansas City covering farm relief legislation. There is written into the bill every pledge of President Hoover in his speech at St. Louis when he addressed himself to the subject of agriculture, and, as the gentleman from Indiana [Mr. PURNELL] has said, it is the finest piece of legislation ever written upon the statute books of any country in the world in behalf of agriculture, and, under proper management, it will work and redeem the pledges of both major parties. [Applause.]

This bill marks the establishment of a definite agricultural program, one that will enable the farmers to control the marketing of their products. It will give them the bargaining power they do not now have. It is the maximum aid the Government can render agriculture. It helps the farmer to help himself and places him on an economic and commercial equality with those engaged in other industries.

Mr. HAUGEN. Mr. Speaker, I yield the gentleman one minute more.

Mr. KETCHAM. Will the gentleman yield to me?

Mr. WILLIAMS of Illinois. I yield.

Mr. KETCHAM. Referring to section 13, paragraph (e), the language is, "The President is authorized, by Executive order, to transfer to or retransfer from the jurisdiction and control of the board the whole or any part of any office, bureau," and so forth. Does the gentleman interpret that to mean a retransfer of the officers from any department to the board and back to the department?

Mr. WILLIAMS of Illinois. If I transfer a thing from one place, I put it in another place, and when I retransfer it I put it back where it was, do I not? [Laughter.] That is what that language means.

Mr. KETCHAM. May I say that that was the interpretation of the committee, and I wanted it in the Record.

Mr. WILLIAMS of Illinois. Yes; that is the plain meaning of the language of the paragraph to which the gentleman from Michigan refers. When the President retransfers an agency or a bureau he puts it back where it was before it was transferred to the board.

Mr. CANNON. Mr. Speaker, I ask unanimous consent to address the House for one minute on the conference report.

Mr. CLARKE of New York. I object.

Mr. HAUGEN. Mr. Speaker, I yield two minutes to the gentleman from Connecticut [Mr. TILSON].

Mr. TILSON. Mr. Speaker and gentlemen, it is a very pleasant duty I am about to perform, not in my capacity as majority leader but representing, as I believe, the sentiment of practically the entire House. We are approaching the final vote on one of the major measures which we were called together in extraordinary session to consider. Before we vote, I wish to present the congratulations and thanks of the membership of the House to the committee of conference on the part of the House that has handled so ably and effectively the farm relief bill. These five Members, three Republicans—Messrs. HAUGEN, of Iowa; PURNELL, of Indiana; and WILLIAMS of Illinois—and two Democrats—Messrs. ASWELL, of Louisiana; and KINCHELOE, of Kentucky—have labored long, faithfully, and with excellent results in bringing back here a bill which is deserving of the support of every Member of the House.

The motto of the House conferees must have been while considering this measure in conference, "In nonessentials be always conciliatory, in essentials remain adamant." They have brought back here substantially the bill that the House passed, and under considerable pressure have refused to bring back some provisions which would have made it impossible in the first place for the bill to become a law, and in the next place, if it had become a law, in my judgment, would have been more injurious than helpful to agriculture.

The rest of us, Members of the House who have not taken part in the conference, owe to these five conferees a debt of gratitude for their firmness, their sound judgment and tact, in so handling a difficult problem as to secure an outcome so satisfactory. [Applause.] In congratulating them upon the result of their work, I think that I voice the sentiment of the entire House when I say, Well done good and faithful conferees. [Applause.]

The SPEAKER. The question is on agreeing to the conference report.

The question was taken, and the conference report was agreed to.

On motion of Mr. PURNELL, a motion to reconsider the vote whereby the conference report was agreed to was laid on the table.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate disagrees to the amendments of the House to the bill (S. 312) entitled "An act to provide for the fifteenth and subsequent decennial censuses and to provide for apportionment of Representatives in Congress," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. JONES, Mr. JOHNSON, Mr. VANDENBERG, Mr. FLETCHER, and Mr. SHEPPARD to be the conferees on the part of the Senate.

CENSUS AND APPORTIONMENT BILL

Mr. TILSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 312) to provide for the fifteenth and subsequent decennial censuses and to provide for apportionment of Representatives in Congress, insist on the House amendments, and agree to the conference asked for.

The SPEAKER. The gentleman from Connecticut asks unanimous consent to take from the Speaker's table the bill S. 312, insist on the House amendments, and agree to the conference asked for. Is there objection?

There was no objection.

The Chair appointed as conferees on the part of the House Mr. CHINDBLOM, Mr. FENN, Mr. McLEOD, Mr. RANKIN, and Mr. GREENWOOD.

Mr. GARNER. Mr. Speaker, the gentleman from Indiana [Mr. GREENWOOD] is unavoidably absent, and I suggest that the Speaker appoint some one in his place.

The SPEAKER appointed Mr. LOZIER as one of the conferees in place of Mr. GREENWOOD.

LEAVE TO EXTEND REMARKS ON THE FARM RELIEF BILL AND CONFERENCE REPORT

Mr. PURNELL. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days to extend their remarks in the Record on the bill H. R. No. 1, and also on the conference report.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

MUNICIPAL CENTER, DISTRICT OF COLUMBIA

Mr. WOOD. Mr. Speaker, I ask unanimous consent for the present consideration of House Joint Resolution 97, which I send to the desk and ask to have read.

The Clerk read as follows:

Resolved, etc., That there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$3,000,000, to be paid in like manner as appropriations for other expenses of the District of Columbia for the fiscal year ending June 30, 1930, toward the acquisition of squares No. 490, 491, and 533, and reservation 10, in the District of Columbia, including buildings and other structures thereon as a site for a municipal center, in accordance with the provisions of the act entitled "An act to provide for the establishment of a municipal center in the District of Columbia," approved February 28, 1929, to be available until expended. Of such amount not to exceed \$10,000 shall be available for the employment by contract or otherwise for architectural and other professional services as shall be approved by the Commissioners of the District of Columbia and without reference to the classification act of 1923, as amended.

The SPEAKER. Is there objection to the present consideration of the joint resolution?

Mr. EDWARDS. Mr. Speaker, reserving the right to object, what committee in the House reported on this?

Mr. WOOD. The deficiency subcommittee of the Committee on Appropriations.

Mr. EDWARDS. But, as I understand, there has been no authorization by the House for this.

Mr. WOOD. The legislation was passed at the last session of Congress.

Mr. EDWARDS. I am on the Public Buildings and Grounds Committee and I do not recall that this has been authorized.

Mr. WOOD. Oh, yes. As I understand it, it came from the District Committee.

Mr. EDWARDS. If it has been authorized, very well. I did not recall it for the moment.

The SPEAKER. Is there objection to the present consideration of the joint resolution?

There was no objection.

Mr. WOOD. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. WOOD: Strike out all the matter in lines 5 and 6 and in line 7 up to the comma preceding the word "toward" and insert in lieu thereof the following: "to be paid out of the revenues of the District of Columbia and the Treasury of the United States in the manner prescribed for defraying the expenses of the District of Columbia by the District of Columbia appropriation acts for the fiscal years during which payments hereunder may be made."

Mr. STAFFORD. Mr. Speaker, will the gentleman yield?

Mr. WOOD. Yes.

Mr. STAFFORD. Not being acquainted with the legislation that was enacted in the last session of Congress, I wish the chairman would state generally what squares have been authorized to be condemned or used for the municipal center.

Mr. SIMMONS. Mr. Speaker, if the gentleman will permit, they are the four squares generally between Third and Sixth Streets and north of Pennsylvania Avenue to Judiciary Square.

Mr. STAFFORD. As related in the public press during the last few weeks?

Mr. SIMMONS. Yes; that is substantially correct.

Mr. STAFFORD. Including the Ford Building?

Mr. SIMMONS. Yes.

Mr. STAFFORD. The Ford Building will be a rather expensive building to condemn, will it not? It is the only modern building on the whole site.

Mr. SIMMONS. And it is fortunate for the District of Columbia that the rest of the buildings are not modern.

Mr. STAFFORD. What estimate has been made as to what the total cost will be for condemning these four squares, including reservation 10?

Mr. SIMMONS. Approximately \$6,000,000.

Mr. STAFFORD. Of which the United States pays how much?

Mr. SIMMONS. All the purchase price is to be paid out of the surplus now in the United States Treasury belonging to the District of Columbia. No part of it comes direct from the Federal Treasury.

Mr. LAGUARDIA. Referring to the provision for architectural and other professional services, I presume that would mean engineering as well as architectural?

Mr. SIMMONS. That is the language to authorize the hiring of special services.

Mr. BYRNS. May I ask the gentleman from Indiana what is the effect of the amendment?

Mr. WOOD. It is the same amendment that has been ordinarily attached to appropriations of this character to be paid out of the revenues of the District of Columbia and the United States—

In the manner prescribed for defraying the expenses of the District of Columbia by the District of Columbia appropriation acts for the fiscal years during which payments hereunder may be made.

Mr. SIMMONS. It is the language that is carried in the deficiency appropriation acts, whereas the resolution as originally drawn carried the language used in the annual appropriation bill.

Mr. BYRNS. And the Government contributing a lump sum, of course it comes out of the District revenues.

Mr. LINTHICUM. Is this amount sufficient to pay for the whole of the civic center?

Mr. SIMMONS. Oh, no; it will pay only about half.

Mr. LAGUARDIA. Is there any provision in the existing law which would require that the plans for new buildings on the opposite side of Pennsylvania Avenue—that is, on the side opposite to where the new Government buildings are going to be constructed—be submitted to anyone for approval? In other words, we are improving all of one side of Pennsylvania Avenue from the Treasury down to the Capitol and leaving the other side, with the exception of this municipal center, entirely open. In all likelihood the value of that property will greatly enhance, and those buildings there will eventually have to come down. Is there any requirement in the zoning or other laws of the District of Columbia that would compel a proper architectural style to be adopted for any new buildings that may be erected upon that side of Pennsylvania Avenue?

Mr. WOOD. The existing law requires the plans for any Government building to be submitted to the Fine Arts Commission. That should also be extended to private buildings.

Mr. CRAMTON. The existing law is one which ought to be extended in order to properly protect the situation.

Mr. LAGUARDIA. Exactly. If we are going to have one style of architecture on one side of Pennsylvania Avenue, and a hodgepodge of buildings on the other, it would simply destroy the beauty of the whole scheme.

Mr. STAFFORD. We are proposing to condemn everything from Third to Sixth Streets on the northerly side of Pennsylvania Avenue. Has any provision been made for the condemnation of property from Second to Third, which faces the Capitol Grounds?

Mr. SIMMONS. That is under another bill.

Mr. WOOD. There is provision being made for that purpose. It is not the intention of the Government to permit any other than Government buildings in any portion of that section down to the Peace Monument.

Mr. STAFFORD. There has been some special legislation carrying out that proposal?

Mr. WOOD. An act was passed at the last session providing for an extension of the Capitol Grounds and to include that area.

The SPEAKER. The question is on agreeing to the amendment offered by the gentleman from Indiana.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the joint resolution, as amended.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the joint resolution was passed was laid on the table.

REHABILITATING FARM LANDS IN FLOODED AREAS

Mr. WOOD. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 3548) to continue, during the fiscal year 1930, Federal aid in rehabilitating farm lands in the areas devastated by floods in 1927, which I send to the desk and ask to have read.

The Clerk read as follows:

Be it enacted, etc., That any unexpended balance of the appropriation to enable the Secretary of Agriculture to carry into effect the provisions of the act entitled "An act for the purpose of rehabilitating farm lands in the flood areas," approved January 26, 1928, contained in the act entitled "An act making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1929, and for other purposes," approved May 16, 1928, is hereby reappropriated, and shall remain available for the same purposes during the fiscal year 1930.

Mr. WOOD. The purpose of this measure is to reappropriate a balance of \$60,000 of an appropriation made in 1928 of \$500,000 for extension work by the Agricultural Department. There is \$60,000 of that still remaining. Within the last few weeks there has been another great flood down there in Mississippi and Louisiana, which destroyed all the crops that were planted and growing, and in order that there may be something saved out of the wreck it is recommended by the President and also by the Budget Bureau that this appropriation be made.

Mr. COOPER of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. WOOD. Yes.

Mr. COOPER of Tennessee. Is that the resolution recently passed?

Mr. WOOD. Yes.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the last vote was laid on the table.

JUDGMENTS AGAINST THE GOVERNMENT

Mr. WOOD. Mr. Speaker, I ask unanimous consent for the present consideration of the bill H. R. 3663.

The SPEAKER. The gentleman from Indiana asks unanimous consent for the present consideration of the bill H. R. 3663. The Clerk will report it.

The Clerk read as follows:

H. R. 3663

A bill making appropriations for the payment of certain judgments rendered against the Government by various United States courts

Be it enacted, etc., That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the payment of the following judgments, namely:

JUDGMENTS, UNITED STATES COURTS

For payment of the final judgments and decrees, including costs of suits, which have been rendered under the provisions of the act of March 3, 1887, entitled "An act to provide for the bringing of suits against the Government of the United States," as amended by the Judicial Code, approved March 3, 1911, certified to the Seventy-first Congress in House Document No. 25, under the following departments and establishments, namely: United States Shipping Board, \$17,836.98; Navy Department, \$9,433.94; Treasury Department, \$6,348.15; War Department, \$3,149; in all, \$36,768.07; together with such additional sum as may be necessary to pay interest on the respective judgments at the rate of 4 per cent from the date thereof until the time this appropriation is made.

For payment of the judgments, including costs of suits, rendered against the Government by United States district courts in special cases and under the provisions of certain special acts and certified to the Seventy-first Congress in House Document No. 26, under the following departments and establishments, namely: United States Shipping Board, \$6,089.54; Navy Department, \$29,233.03; War Department, \$113,219.85; in all, \$148,542.42, together with such additional sum as may be necessary to pay interest on certain of the judgments as and where specified in such judgments.

For the payment of judgments, including costs of suits, rendered against the Government of the United States by United States district courts under the provisions of an act entitled "An act authorizing suits against the United States in admiralty for damage caused by and salvage services rendered to public vessels belonging to the United States, and for other purposes," approved March 3, 1925 (U. S. C. p. 1529, secs. 781-789), certified to the Seventy-first Congress in House Document No. 28, under the following departments, namely: Department of Commerce, \$6,844.73; Navy Department, \$1,498.32; in all, \$8,343.05, together with such additional sum as may be necessary to pay interest as and where specified in such judgments.

None of the judgments contained under this caption shall be paid until the right of appeal shall have expired, except such as have become final and conclusive against the United States by failure of the parties to appeal or otherwise.

Payment of interest wherever provided for judgments contained in this act shall not in any case continue for more than 30 days after the date of approval of the act.

JUDGMENTS, COURT OF CLAIMS

For payment of the judgments rendered by the Court of Claims and reported to the Seventy-first Congress in House Document No. 27, under the following departments and establishments, namely: United States Railroad Administration, \$60,428.39; Navy Department, \$877,449.65; War Department, \$244,784.92; in all, \$1,182,662.96, together with such additional sum as may be necessary to pay interest on certain of the judgments at the legal rate per annum as and where specified in said judgments.

None of the judgments contained under this caption which have not been affirmed by the Supreme Court or otherwise became final and conclusive against the United States shall be paid until the expiration of the time within which application may be made for a writ of certiorari under subdivision (b), section 3, of the act entitled "An act to amend the Judicial Code, and to further define the jurisdiction of the circuit courts of appeals and of the Supreme Court, and for other purposes," approved February 13, 1925 (U. S. C. p. 900, sec. 288).

Mr. WOOD. I will say to the House that all these judgments have been properly certified and the Budget estimate approved by the President. It will save 4 per cent. We desire to save that 4 per cent.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the last vote was laid on the table.

POST-OFFICE BUILDING AT CORINTH, MISS.

Mr. WOOD. Mr. Speaker, I ask unanimous consent for the present consideration of House Joint Resolution 88.

The SPEAKER. The gentleman from Indiana asks unanimous consent for the present consideration of House Joint Resolution 88, which the Clerk will report.

The Clerk read as follows:

House Joint Resolution 88

Joint resolution making an additional appropriation for the extension to the post-office building at Corinth, Miss.

Resolved, etc., That there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$876.04 for the purpose of providing granite entrance steps for the extension to the post-office building at Corinth, Miss., authorized by the first deficiency act, fiscal year 1928, approved December 22, 1927. Such amount shall be in addition to all other amounts heretofore appropriated for the extension of such post-office building.

Mr. WOOD. Mr. Speaker, I will say to the House that this measure is for the purpose of providing the money necessary to complete the post office at Corinth, Miss. The post office there burned down some time ago, and the Supervising Architect, in providing the plans for rebuilding, seems to have omitted the building of granite steps to one of the approaches. I called the attention of Mr. Wetmore to it, and he said the bill ought to pass.

Mr. GARNER. Is this a Budget item?

Mr. WOOD. I do not know whether there was a Budget recommendation concerning it or not. I will ask the gentleman from Mississippi [Mr. RANKIN] if there was a Budget estimate.

Mr. RANKIN. I do not know as to that.

Mr. GARNER. The only point about that is that Congress may be charged with appropriating more money than the Budget estimated.

The SPEAKER. Is there objection to the present consideration of the House joint resolution?

There was no objection.

The House joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the last vote was laid on the table.

PULASKI SESQUICENTENNIAL COMMISSION

Mr. WOOD. Mr. Speaker, I ask unanimous consent for the present consideration of House Joint Resolution 91.

The SPEAKER. The gentleman from Indiana asks unanimous consent for the present consideration of House Joint Resolution 91. The Clerk will report it.

The Clerk read as follows:

House Joint Resolution 91

Joint resolution to provide for the payment of certain expenses of the United States Pulaski Sesquicentennial Commission

Resolved, etc., That for expenses of the United States Pulaski Sesquicentennial Commission created by Public Resolution No. 86, Seventieth Congress, approved February 16, 1929, there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$3,500, to remain available until June 30, 1930, for the payment of such expenditures as may be necessary and incident to the duties of the commission, including stationery and office supplies, compensation of a secretary, traveling expenses, and for subsistence expenses of the members of the commission and the secretary when traveling on official business at such rate per diem as the commission may determine.

Mr. WOOD. Mr. Speaker, this is an appropriation for defraying the expenses of the commission appointed by the Speaker of the House and the President of the Senate to participate in the Pulaski sesquicentennial celebration of the birth of Pulaski.

Mr. SCHAFER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. WOOD. Yes.

Mr. SCHAFER of Wisconsin. Where is the celebration to take place?

Mr. WOOD. At Savannah, Ga.

The SPEAKER. Is there objection to the present consideration of the resolution?

There was no objection.

The House joint resolution was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider the last vote was laid on the table.

INTERNATIONAL RED CROSS CONFERENCE AT GENEVA, 1929

Mr. WOOD. Mr. Speaker, I ask unanimous consideration of House Joint Resolution 86.

The SPEAKER. The Clerk will report it.

The Clerk read as follows:

House Joint Resolution 86

Joint resolution making an appropriation for the International Red Cross and prisoners of war conference at Geneva, Switzerland, in 1929

Resolved, etc., That the sum of \$34,000 is appropriated, out of any money in the Treasury not otherwise appropriated, to remain available until June 30, 1930, for the expenses of participation by the United States in the international conference for the revision of the Geneva convention of July 6, 1906, for the amelioration of the condition of the wounded in the armies in the field; and for the study of the revision of the code for prisoners of war adopted at The Hague in 1907, to be held at Geneva, Switzerland, in July, 1929, including travel and subsistence or per diem in lieu of subsistence (notwithstanding the provisions of any other act), compensation of employees, stenographic and other services by contract if deemed necessary, rent of office, purchase of necessary books and documents, printing and binding, official cards, and such other expenses as may be authorized by the Secretary of State.

Mr. WOOD. Mr. Speaker and Members of the House, the purpose of this appropriation is to permit the United States Government to participate in a convention to be held at Geneva to revise the treaty or prepare a new treaty for the benefit of the Red Cross in its care for the wounded and prisoners of war. They have not had a convention since 1896.

Mr. LAGUARDIA. Who selects the delegates to conventions of this kind?

Mr. WOOD. I asked Mr. Carr that question, and he said the delegates were selected, one from the War Department, and one from the State Department, and one from among our ministers in Europe.

The SPEAKER. Is there objection to the present consideration of the resolution?

There was no objection.

The House joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the last vote was laid on the table.

BRIDGE ACROSS THE ST. CLAIR RIVER, MICH.

Mr. CRAMTON. Mr. Speaker, I ask unanimous consent for the present consideration of the bill H. R. 3600. It is an amendment to a bridge bill.

The SPEAKER. The gentleman from Michigan asks unanimous consent for the present consideration of a bill which the Clerk will report.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 5 of an act entitled "An act authorizing Maynard D. Smith, his heirs, successors, and assigns to construct, maintain, and operate a bridge across the St. Clair River at or near Port Huron, Mich.," approved March 2, 1929, being Public Act No. 923 of the Seventieth Congress, be, and the same is hereby, amended so as to read as follows:

"Sec. 5. The said Maynard D. Smith, his heirs, successors, and assigns, from time to time may issue bonds, notes, debentures, or other evidences of indebtedness and preferred stock in such principal amount or amounts, and may sell or otherwise dispose of the same at such price or prices as shall have been approved by the Michigan Public Utilities Commission in order to provide funds for the acquisition of real estate and other property or any interest therein needed for the construction of such bridge and its approaches, to provide funds for the construction of such bridge and its approaches, interest during construction, and the costs of financing; and may secure payment of all or any part of said bonds, notes, debentures, or other evidences of indebtedness by mortgage or other lien upon all or any part of said real estate and other property, including said bridge and its approaches and the franchises and rights to operate and maintain the same, together with the tolls therefrom. All or any of said bonds, notes, debentures, or other evidences of indebtedness and shares of preferred stock shall be subject to redemption at any time or from time to time upon such notice and with such premium, if any, as may be provided therein. Not less than two-thirds of all encumbrances or securities other than preferred stock issued against said bridge shall be first-mortgage bonds, and not more than one-third may be debentures. None of said bonds issued against said bridge shall bear interest at a fixed rate in excess of 6½ per cent per annum on the principal amount thereof. None of said debentures issued against said bridge shall bear interest at a fixed rate in excess of 7 per cent per annum on the principal amount thereof. Any preferred stock issued shall be at par, shall represent value, and may be entitled to accumulative dividends at not to exceed 7 per cent per annum."

The SPEAKER. Is there objection?

Mr. LaGUARDIA. Mr. Speaker, reserving the right to object, does this refer to the international bridge for the construction of which we gave permission some time ago?

Mr. CRAMTON. Yes.

Mr. LaGUARDIA. Does the gentleman's proposed amendment in any way change the good features of his original bill?

Mr. CRAMTON. No. I will say to the gentleman that this is an important bridge between Port Huron, Mich., and Sarnia, Ontario. The bridge is to cost about \$5,000,000, and, being an international bridge, it presented certain difficulties that would not exist otherwise. The recapture clause in this bill was particularly favorable to the public in this, that 80 per cent of the net earnings of the tolls go to retire the obligations, and when the obligations are retired the bridge becomes the property of the State of Michigan and the Dominion of Canada. That is a particularly favorable provision, but since we did provide for the taking over of it upon the payment of the obligations, instead of making the cost of the bridge the test for the measure of damages in condemnation it is necessary to give some attention to the securities and see that they are not inflated. The bill as it passed provided that the total securities should not exceed the actual cost of the bridge as determined by the Secretary of War, but his determination is after the bridge is built and the attorneys for the bankers who have agreed to finance the undertaking say they can not sell bonds the validity of which will remain in question until a year or two after the money is spent and also because conditions in the bond market are not as favorable to-day as they were a year ago.

This amendment provides this: That no securities can be issued unless the amount of such securities and the price at which they are sold are approved by the Michigan Public Utilities Commission. While we can not order that commission, a State agency, to act, they have been consulted and they have agreed to accept the responsibility. That is what the amendment does, and if I may make this further statement, I will say that the necessary legislation has been passed by Canada, the plans have been approved by the War Department and the Canadian authorities; they have an estimate from McClintock & Marshall as to the cost of the bridge, and it is just awaiting financing and they can not go ahead in that without this legislation. It will save a year in the construction of the bridge if the House will permit this action now.

Mr. LaGUARDIA. I want to say right now—and I am glad the gentleman from Illinois [Mr. DENISON], a member of the

Committee on Interstate and Foreign Commerce, and the gentleman from Texas are here—that this bill is a model bill for international bridges, and that in the next session of Congress bills providing for the erection of international bridges will have to meet the requirements of this model bill or there will be objection.

Mr. DENISON. The gentleman from New York must remember that the gentleman from Michigan worked out the provisions of this bill in conference with all the interested parties, and it is the result of an agreement. However, Congress can not impose agreements on people unless they are willing to accept them.

Mr. LaGUARDIA. Well, unless these agreements come up to the requirements contained in this bill, there are going to be objections; and the gentleman from Illinois knowing that, will see that hereafter such bills come in with proper agreements to protect the public.

Mr. DENISON. Of course, the gentleman from New York always has the same privilege that all Members have of objecting to any bill.

Mr. LaGUARDIA. I know that; but the gentleman will be surprised to know how many Members are now taking that attitude.

Mr. CRAMTON. Will the gentleman permit this further statement?

A similar bill which was introduced in the Senate was referred to the departments, and the Departments of War and Agriculture have approved the bill.

Mr. SCHAFER of Wisconsin. Will the gentleman yield for a brief question?

Mr. CRAMTON. I yield to the gentleman from Wisconsin.

Mr. SCHAFER of Wisconsin. The gentleman mentioned the Michigan Public Utilities Commission. Does the Michigan Public Utilities Commission seem to function generally in the interest of the public or in the interest of the large utilities?

Mr. CRAMTON. We have a very good commission in the State of Michigan, and I have confidence that their action will fully protect the public.

Mr. LEAVITT. Mr. Speaker, will the gentleman yield?

Mr. CRAMTON. I yield.

Mr. LEAVITT. I would like a little more time to consider this matter and become more fully informed, and for the time being I object.

Mr. DEMPSEY. Will the gentleman yield to a suggestion? I want to say to the gentleman from New York—

Mr. LaGUARDIA. I expected it.

Mr. DEMPSEY (continuing). That this is not the original or the pioneer bill with these good provisions. The bill providing for the Peace Bridge at Buffalo contained conditions of the same nature and protected the public just as fully as this bill.

Mr. LaGUARDIA. Anything that my colleague the gentleman from New York would sponsor, of course, would be in good shape, well drawn, and the public fully protected.

The SPEAKER. Does the Chair understand that objection has been made?

Mr. CRAMTON. If the gentleman from Montana will withhold his objection—

Mr. LEAVITT. I withhold it, Mr. Speaker.

Mr. CRAMTON. I want to emphasize for the consideration of the gentleman the importance of this bridge. It will be the connecting link in the northernmost transcontinental highway of the country for traffic coming from the great Northwest, crossing Lake Michigan from Milwaukee to Grand Haven and across through Port Huron and Sarnia and on to Niagara Falls and the St. Lawrence and New England. While it is being built as a toll bridge, through the recapture clause that has been referred to, 80 per cent of the net earnings from tolls goes to retire the obligations. In most of these bridge propositions the bankers require, independent of any recapture clause, that 65 per cent of the net earnings go into a sinking fund to retire obligations, but in this case 80 per cent, or \$4 out of every \$5 of net revenue, goes to retire the obligations, and when they are retired the bridge is turned over to the State and to the Dominion and becomes a free bridge with no tolls except, perhaps, a nominal amount to take care of the operating cost or something of that kind, but probably an entirely free bridge. It is a matter of very great importance, and I can not conceive of any interest the gentleman might have that would be adverse to the matters I have suggested.

Mr. DEMPSEY. I would suggest to the gentleman that we have several bridges on the Niagara frontier, and they are absolutely invaluable and are of increasing usefulness from day to day, and I think the gentleman's bridge will be invaluable to all that part of Michigan.

Mr. STAFFORD. Will the gentleman yield, under the reservation of objection, to explain succinctly just wherein the amendment differs from the original law? As I understand, this is merely an amendment of a minor particular.

Mr. CRAMTON. It is entirely a minor proposition. The fundamental proposition of the recapture clause is not touched. The present law provides that the amount of securities issued must not exceed the cost of the bridge as determined by the Secretary of War under section 8, and this determination by the Secretary of War under section 8 is the determination that he arrives at as to all toll bridges.

Mr. STAFFORD. That is merely an estimate?

Mr. CRAMTON. That finding is not arrived at until after the bridge is built—within three years after its completion—and this provides for immediate action.

Mr. LEAVITT. Mr. Speaker, my reservation of objection is due to the fact that I have not understood that matters of this kind could be brought before the House without the action of some committee. I have a matter of my own that is just as vital to a reclamation project in my State as this is to the State of Michigan and I would like to know how I am going to get that matter up. It is merely a question of an amendment to an appropriation bill, but it is just as vital, and I would like to know how it is going to be possible for me to get the matter before the House. Other Members, I think, are interested in the same sort of thing, and I want to know whether we are going to make exceptions in cases of this kind or whether the same opportunity is going to be given to all of us.

Mr. CRAMTON. I may say I have been glad to cooperate with the gentleman from Montana on a great many matters that affected his State even in a more important way than the Glasgow project. This bill has been favorably passed upon by two departments interested. If the Glasgow matter is passed upon favorably by the Interior Department, I have no objection to it. I can not speak for anybody else but myself. I will say that the House has permitted several matters to come up where there was an emergency existing even when there was no committee report.

Mr. LEAVITT. Mr. Speaker, with that explanation I withdraw my objection.

Mr. GARNER. Mr. Speaker, reserving the right to object, I want to ask the gentleman from Michigan if he has consulted with the gentleman from Illinois [Mr. DENISON], the gentleman from Arkansas [Mr. PARKS], and the gentleman from North Dakota [Mr. BURNES], the subcommittee that would have jurisdiction of bridge bills, from the Committee on Interstate and Foreign Commerce. They are better informed on the subject, and I would like to have the RECORD show if he has consulted them.

Mr. CRAMTON. I have consulted the gentleman from Illinois [Mr. DENISON], who is in sympathy with it, and have supposed that he consulted with other Members. He has known of it for several days.

Mr. DENISON. Mr. Speaker, while our committee has not been organized those who are members of the subcommittee I have consulted with, and I think the amendment offered by the gentleman from Michigan is proper, and in view of the conditions that exist it is more or less of an emergency. I think if our committee was organized and the subcommittee was functioning they would readily recommend the passage of this bill.

The SPEAKER. Is there objection?

There was no objection.

The bill was ordered to be engrossed and read a third time; was read the third time and passed.

ORDER OF BUSINESS

Mr. GARNER. Mr. Speaker, I would like to ask the gentleman from Connecticut how long he intends to proceed to-day. The membership has largely left the House. We understood that no more business would be transacted under the general agreement and understanding at the beginning of the session.

Mr. TILSON. We have been going on by unanimous consent.

Mr. GARNER. I know that, but many Members have left the House and they might want to object. I do not want to take the responsibility of objecting to a bill that I know nothing about.

Mr. CRAMTON rose.

Mr. GARNER. Oh, the gentleman's bill has already passed.

Mr. CRAMTON. I want to call up another one that has already been discussed.

Mr. TILSON. We wish to get these unanimous-consent matters cleared out of the way.

Mr. GARNER. How many more are there?

Mr. TILSON. I believe there is only one more.

Mr. GARNER. All right, go ahead.

CONSOLIDATED SCHOOL—TURTLE MOUNTAIN INDIAN RESERVATION

Mr. CRAMTON. Mr. Speaker, I ask unanimous consent for the present consideration of House Joint Resolution 93.

The SPEAKER. The gentleman from Michigan asks unanimous consent for the present consideration of the House joint resolution which the Clerk will report.

The Clerk read as follows:

House Joint Resolution 93

Amending an appropriation for a consolidated school at Belcourt, within the Turtle Mountain Indian Reservation, N. Dak.

Resolved, etc., That the provision in the second deficiency act approved March 4, 1929 (Public, No. 1035), making an appropriation for a consolidated day school at Belcourt within the Turtle Mountain Indian Reservation, N. Dak., is amended to read as follows:

"Turtle Mountain Reservation, N. Dak.: For construction and equipment, including not to exceed \$5,000 for motor busses, of a consolidated day school at Belcourt, within the Turtle Mountain Indian Reservation, N. Dak., fiscal years 1929 and 1930, \$125,000: *Provided*, That such school shall be open for attendance by white children and by restricted or nonrestricted Indian children resident within said reservation if and when the State tuition fund and the county tuition fund, which would otherwise be paid to school districts in said reservation, if functioning, and the proceeds of the usual school levy in the said school districts, shall be paid to the United States to be used to supplement Government appropriations for the maintenance and operation of said consolidated school and for the payment of tuition of any white and Indian children, restricted or unrestricted, residing within said reservation in any high school approved by the superintendent of the Turtle Mountain Agency."

Mr. CRAMTON. Mr. Speaker, I think I ought to make this explanation. This is a matter in which the gentleman from North Dakota [Mr. HALL] is much interested. I visited the reservation last year. An appropriation was carried of \$125,000 for the building of a consolidated school to serve two townships where the population is almost entirely Indians. A provision for State cooperation financially has resulted in tying up the appropriation because of a ruling of the Comptroller General, and the language here is an attempt to cut the knot and permit construction to go on. I can make a statement as to the details of it, but I do not want to delay the House.

Mr. GARNER. If the gentleman will yield, if I understand the proposition this would come from the Committee on Appropriations?

Mr. CRAMTON. Yes.

Mr. GARNER. Has the gentleman discussed it with the members of the subcommittee?

Mr. CRAMTON. It was brought to their attention and has their approval as well as of the department. As I said, the population is chiefly children of restricted Indians. There are also some unrestricted Indians, a few of the Indians are taxed and some white pay taxes. This will be a school that will serve two townships constituting the Turtle Mountain Indian Reservation. There is about \$5,000 of State and county tuition money paid out on a per capita basis. About \$3,000 school tax is raised by tax on some property in the reservation not owned by restricted Indians. This amendment provides that the State and county tuition and the school tax shall be turned over to the Government to be used in the operation of the school, and in return the Government admits to the school the children of whites and of unrestricted Indians, and if any children of whites or Indians on the reservation are to go to a high school off the reservation the tuition can be paid out of this State and county tuition and school tax.

Mr. STAFFORD. Will the gentleman yield?

Mr. CRAMTON. I yield.

Mr. STAFFORD. Is the Government here pursuing any new policy or establishing a new policy in regard to the combination schools?

Mr. CRAMTON. This is in harmony with our general policy. I can not say that exactly this thing has been done at any other place, but it is in harmony with the policy that we are following. For instance, in Oklahoma we are paying tuition to enable Indian children to attend white schools and—

Mr. STAFFORD. That has been the established policy for a long time. Here we are attempting to establish a school at the Federal Government's expense for the education of white children domiciled in North Dakota.

Mr. CRAMTON. I am not sure whether you would find exactly these conditions elsewhere. The situation with respect to the Turtle Mountain Indian Reservation, consisting of two townships, is that the Government, through an excess of zeal for the welfare of the Indians, a number of years ago expedited the removal of restrictions from a number of those Indians. They were given the title to their lands, and the restrictions

against alienation being removed, they, of course, at once disposed of their lands and they are there now in poverty.

Mr. STAFFORD. Here the Government is establishing a policy for the first time of giving education to citizens of a State.

Mr. CRAMTON. Not the first time.

Mr. STAFFORD. Where are there any other instances?

Mr. CRAMTON. All of these Indians are citizens.

Mr. STAFFORD. Oh, I mean white children.

Mr. CRAMTON. The number of white children here is very limited. The amount that will come to us from the State tax and the State and county tuition will exceed the cost of the education of these white children.

Mr. STAFFORD. I think it is a questionable policy to launch the idea of the National Government establishing high-school facilities for the education of the people of a State.

Mr. CRAMTON. The only money under this that can be used to pay the school tuition of the white children at the high school is not from the Federal Treasury but is this money that comes in from local school tax or the State and county tuition.

Mr. STAFFORD. I do not like the provisions of the bill. I think we should not consider this sort of bill without a report. We know nothing about the facts in advance. They are brought in here and thrown into the well without consideration in a formal way by a committee or a subcommittee. I shall not interpose any objection to it, but it is not the proper way to legislate.

Mr. DE PRIEST. Mr. Speaker, reserving the right to object, I notice the language in the bill is "white children." Are there any black children in that territory there?

Mr. CRAMTON. I think not. I have not heard of any.

Mr. TILSON. It simply means non-Indians.

Mr. DE PRIEST. But that is not what it says.

Mr. CRAMTON. I never heard of any. I was up there and I am sure there are none. There are some that get pretty dark. Mr. DE PRIEST. I know, and there are a lot of dark ones all around here, but because of the way in which the bill reads I have reserved the right to object, and I do object.

The SPEAKER pro tempore. Is there objection?

Mr. DE PRIEST. Mr. Speaker, I object.

Mr. CRAMTON. Mr. Speaker, I ask the gentleman to withhold his objection for a moment. Let me make this suggestion: I doubt whether there is anyone in this House, including the gentleman from Illinois [Mr. DE PRIEST], who has taken a more active interest in education for the Negro race than I have through my handling of appropriations for Howard University for the last nine years. Year by year I have battled for that appropriation. The gentleman can get confirmation of that very easily. There is no discrimination here. This is an attempt to provide proper education for every child in that township. We do not say anything about the Chinese, because there are no Chinese there, and we do not say anything about negroes, because there are none there.

Mr. DE PRIEST. To the best of the gentleman's knowledge there are none there.

Mr. CRAMTON. But I have been there, and I have made an investigation of the situation there. I went there for that purpose. If the gentleman finds that there are any negroes there, they will be taken care of.

Mr. DE PRIEST. Mr. Speaker, that is assurance enough for me. I withdraw the objection.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

ADDRESS BY HON. WILLIAM E. HULL, OF ILLINOIS

Mr. DEMPSEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record by inserting therein a speech delivered by the gentleman from Illinois, Mr. WILLIAM E. HULL, at Omaha, Nebr., on the 3d of June, on the subject of waterways.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DEMPSEY. Mr. Speaker, under the leave to extend my remarks in the Record I include a speech delivered by Hon. WILLIAM E. HULL, of Illinois, at Omaha, Nebr., on June 3, 1929, on the subject of waterways.

The speech is as follows:

DEVELOPMENT OF INLAND WATERWAYS

Herbert Hoover is the confident hope of the inland waterways of the Nation. We, its advocates, must work with the President of the United States and secure from Congress appropriations large enough to complete all of the projects within a 4-year period.

The Illinois, Mississippi, and Missouri River system, including their tributaries, comprises 9,000 miles of channel that will carry our products to the sea, leading from Pittsburgh in the East, Chicago and the Great Lakes in the North, St. Paul and Minneapolis in the Northwest, Sioux City, Omaha, and Kansas City, in the West, the intracoastal canal and the Warrior River in the South, making a network of rivers formulating the greatest inland waterway transportation system in the world, is now an authorized project and its completion will be a great boon to the western country for all time.

The necessity of inland waterway transportation has been brought about by the building of the Panama Canal, which has carried great benefits to our people. But we can not ignore the fact that it has also contributed to distort the competitive relationship of the Mid West and our seaboard industry. The fact that it has drawn the east and west seaboard together by decreasing its transportation costs has practically ruined the central west business to the Atlantic and Pacific coasts.

By using this canal the ships can carry the products from coast to coast on an average of one-fourth the cost by rail from the Mid West to either coast. Thus, it can easily be seen that it is impossible to compete against such cheap transportation, and therefore this great inland waterway, which has been advocated for years, has now reached a point where the people of the Central West can be assured that in the near future they will have a transportation system by water that will equalize freight rates with the East and the West.

Without this transportation the Mid West must suffer by certain lines of business migrating to the seaboard. It tends to establish the manufacturer nearer the seaboard and farther from the heart of agriculture, to the mutual disadvantage of both. It destroys the Mid West wholesale distribution, as many merchants and manufacturers in the interior will testify. Its serious effect on agriculture and upon business would make it seem reasonable that it is worthy of our best efforts to remedy, and the remedy is cheaper transportation in bulk products of agriculture and raw materials.

Our railroads have reached the highest efficiency in their history but they must maintain this efficiency. With the higher cost of labor and materials they can not reduce their freight rates. The Panama Canal can not be closed; neither can we raise the Atlantic Ocean and other sea freight rates. The standard of living in the rest of the world is so inferior to our own and as they have not increased their wage scale the cost of operating foreign overseas shipping has not been raised to a point that will equalize the expense in this country.

Under such conditions we must turn to our natural waterways which providence has blessed us with. In order to accomplish this we must deepen our rivers to permit modern barge transportation, deepen the outlet to the Great Lakes to permit ocean-going shipping and connect them altogether into a definite transportation system. This would give us 12,000 miles of connected inland water transportation, reaching from Duluth in the North to New York in the East, from Chicago to New Orleans, from Pittsburgh to Sioux City, from New Orleans to Houston, Tex., thus making a network of inland waterways larger than any in the world.

Can you visualize a shipment direct from London to Chicago by water and then from Chicago to St. Paul on the north to Peoria and St. Louis in the Middle West; to Pittsburgh in the East; to Sioux City, Omaha, and Kansas City in the West; and thence on to New Orleans to the Gulf of Mexico and across the great State of Texas to Houston and Corpus Christi? Such a water transportation would be of great benefit to the coast cities as well as to the inland part of our Nation.

I can see the oil and fruits coming from California to Chicago, the great textile mills and the eastern manufacturers shipping their products by way of New Orleans to Chicago, St. Louis, Kansas City, Omaha, and Sioux City, all by water and then to be distributed by the railroads over the whole northwestern and western country.

Is there anyone in the United States who would begrudge the Government expending funds out of the Treasury of the country in order to make such a system of waterways? It will be the greatest help for agricultural relief that any Congress will ever pass; it will build a national highway of water transportation, thus giving opportunities of building elevators and warehouses along this great system, which will store the products of the farm for a future delivery and, in my judgment, will give greater farm relief than all of the legislation that Congress will pass.

By completing this great inland waterway within four years, you will save the farmers of this Nation millions of dollars in freight. Every bushel of corn, wheat, or grain exported from this part of the country will receive the benefit of the freight rate to the foreign nations, and, therefore, it is my intention to do everything that I can to bring about an early completion of this great inland waterway system.

It is evident that the farmer will ship his produce by water wherever he can because he realizes that he can save 10 cents per hundred on every bushel of grain that he exports from this Nation through this water transportation. We will never come into a full realization of the services of this great inland waterway until we have completed every section of the system, which will give us full value for cheaper transportation costs. Therefore it is up to those of us who live in the Central West and the West to stand shoulder to shoulder in a solid phalanx until we have convinced those in power at Washington the necessity of a full completion of the channels of the Missouri River, the Mississippi River, the Illinois River, and the intracoastal canal.

By hard and persuasive work your Congressmen of the West, aided by one of the greatest advocates of waterways in the world, Cleveland Newton, of St. Louis, have brought about 60 per cent of the completion of this great system. There is left to be completed yet the following:

Mississippi River, from St. Paul to the mouth of the Illinois River, Grafton, 6-foot channel.....	\$2,500,000
Mississippi River, from the mouth of the Illinois River to St. Louis, 9-foot channel.....	1,500,000
Illinois River, from Utica to Grafton, 9-foot channel.....	2,250,000
Intracoastal canal, from New Orleans to Corpus Christi, Tex., 9-foot channel.....	16,000,000
Missouri River, from St. Louis to Kansas City, 6-foot channel.....	17,500,000
Missouri River, from Kansas City to Sioux City, Iowa, 6-foot channel.....	54,000,000
Total.....	93,750,000

After this is done then the boats can travel over the entire system.

DENISON LAW

Another great advantage that we have accrued in the last two years is the passage of legislation known as the Denison law.

This has forced the railroads to make a joint through rate with the inland waterway system, either voluntarily or they will be directed by the Interstate Commerce Commission to do so. This will make a rail-water-rail rate, giving everybody in the hinterland the same opportunity to use the waterway system as those who live upon the waterway itself.

In order that you may thoroughly understand what I mean, if a shipper was to ship a carload of wheat from Butte, Mont., to Columbia, S. C., the freight rate would be the rail rate to St. Paul, the water rate to Memphis, and the rail rate to Columbia, S. C., thus giving this shipper the privilege of securing the water rate from St. Paul to Memphis.

So, you can understand now that everybody is to participate in the reduction of water freight rates.

In addition to this I quote from the Denison bill, as follows:

"When the improvement of any tributary or connecting waterway of the Mississippi River, not including the Ohio River, shall have been completed or advanced to the point where within two years thereafter there will have been substantially completed a sufficient and dependable channel for the safe operation of suitable barges and towboats thereon; and when the Chief of Engineers of the United States Army shall certify that fact to the Secretary of War, the Secretary of War shall thereupon cause a survey of such tributary or connecting waterway to be made for the purpose of ascertaining the amount of traffic, the terminal facilities, and the through routes and joint tariff arrangements with connecting carriers, that are or will, within such years, probably be available on such tributary or connecting waterway. As soon thereafter as such survey shall have been completed and a sufficient and dependable channel for the safe operation of suitable barges and towboats shall have been substantially completed, the Secretary of War may, if he finds from such survey that water transportation can, in the public interest, be successfully operated on such tributary or connecting waterway, extend the services of the Inland Waterways Corporation thereon as soon as the corporation shall have suitable facilities available therefor."

So it is evident that before long the Government barge line will be operating on the Illinois and Missouri Rivers, as well as upon the Mississippi River.

MISSION OF INLAND WATERWAYS CORPORATION

The mission of the corporation is defined in the policy of Congress "to promote, encourage, and develop water transportation and to foster and preserve in full vigor both rail and water transportation," and its existence is due to the will of Congress to carry on the operations of the Government-owned inland, canal, and coastwise system to the point where the system can be transferred to private operation to the best advantage of the Government.

WATER COMPETITION—RELIEF FROM HIGH RAIL RATES

For 23 years the standard rail and lake routes from New York to Chicago were on a scale of 54 cents per 100 pounds. After the acquisition by the railroads of the lake routes the rates gradually increased. In 1915 they were 62 cents per 100 pounds, and in 1925, \$1.42 per 100, an increase of 275 per cent.

In 1915 the Interstate Commerce Commission denied to the railroads permission to continue the ownership by parallel rail lines of the com-

mon carriers on the Great Lakes and the lake lines discontinued operation.

The history of the first-class rate by rail from St. Louis to New Orleans shows substantially the same depression and subsequent elevation. Between 1885 and 1887 the competition of the steamboats forced the first-class rate from \$1 to 75 cents. By 1887 it had risen to 90 cents, where it remained stationary until the war and the advent of the Railroad Administration. Since then by successive advances this all-rail rate rose, until in 1925 it was \$1.73½.

With the close of the war came the development of water traffic through the Panama Canal from which railroad-owned ships are barred by law. To-day the interest of the Mississippi Valley, including the valleys of the Missouri, the Illinois and other tributaries, is focused on the fact of a rail rate on first-class traffic to the Pacific coast approximately twice the rate from New York by sea.

The revival of transportation on the great Mississippi system of natural waterways offers the only possible relief. With these channels opened up, industry on these rivers will be able to ship to and from the east and west coasts on rates comparable with rates enjoyed by coastwise industry. In other words, the advantages of the Panama Canal will be no longer denied to the central portion of the United States.

VARIOUS COMMODITIES MOVING OVER THE LINES OF THE CORPORATION

The corporation distributes freight between all of the States of the Union except five, and has arranged to exchange traffic with nearly 200 railroads and many other land carriers and numerous purely water carriers. Its tows move now from the Twin Cities on the north and New Orleans on the south, from thence to Mobile and thence along the Warrior system of canals to Birmingham, Ala., from which point it connects with Birmingham by a short railroad which it owns.

In it the country now has the means of insuring on the Mississippi and Warrior systems proper at least that kind of water transportation that distributes its benefits to the country at large. Under the law, through the whole Mississippi system, including the Missouri, the Ohio, and the Illinois Rivers, thus connecting the Great Lakes with the Gulf of Mexico. It is true that this system has been working at a great loss to the Government, but that comes from the fact that there has been no absolute connection with all of the different tributaries. My judgment is that whenever they are all connected, it will work to a great profit to the Government of the United States.

I might quote that in 1920 they moved 360,719 tons; in 1921, 672,111 tons; in 1922, 860,013 tons; in 1923, 979,722 tons; in 1924, 1,071,848 tons; in 1925, 1,142,219 tons; and in 1926, 1,341,578 tons, at an average saving to the shipper or the consignee on the Mississippi in 1926 of \$1.75 a ton and on the Warrior in the same year of \$0.75 per ton. The average saving on the whole system in 1926 was a little more than \$1.50 a ton. Of this, grain moving for export in 1926 reached the junction markets alluded to above at a cost of between 3 and 6½ cents per bushel below what it would have paid if the barge-line service had not been available. This grain constituted but a small portion of the exportable surplus of the interior communities which produced it. The Government barge line carried all that its equipment permitted. The day is almost here when the carrier is compelled almost daily to turn away freight offerings. If equipment was available on this stretch of the river to meet all demands, it is probable that the whole exportable surplus of wheat from those communities that raised the portion that moved in the Government barges would reach the seaboard, and the saving on the whole would unquestionably reflect itself by raising the price paid the farmer, if, indeed, this benefit has not already accrued to him.

So much sugar now moves over this line that the price of this commodity in the interior is the price at New Orleans plus the barge-line rate north, so that the hinterlands of Helena, Memphis, St. Louis, and Chicago now have the cheaper transportation reflected in the price they pay for this commodity. When the season of navigation opens on the upper Mississippi the people behind the cities of the upper river will derive this benefit. Arrangements are now being worked out whereby this commodity will move through Cairo via the Ohio River carriers up the river. This will carry this benefit to the people served by the Ohio River.

And now, my friends, what we need is to complete the channels on the Missouri and the Illinois Rivers and give all of the people in the great Mississippi Valley the same opportunity as is given those on the Mississippi and Ohio Rivers at the present time.

During the Seventieth Congress we were able to pass in the Denison bill an appropriation of \$10,000,000 to build additional barges and towboats. Three million of this has been set aside for the Missouri River and three million for the Illinois River.

So the equipment is now provided for, and those who live upon the Missouri and Illinois Rivers must begin at once to arrange for terminals. Every city of any size, from the mouth of the Missouri River to Sioux City, should begin now to arrange to pass bond issues in order to facilitate the building of terminals. No terminal can be built for less than \$300,000, and some of them as high as \$500,000. It is not an easy job to raise this amount of money quickly, and so

I would advise all of you along the great Missouri or the Mississippi or the Illinois to immediately begin to make your arrangements for the terminals.

If the barge line was now extended to Chicago, I could produce tables here showing great savings to all of this section of the country. You can realize the necessity, first of all, of making the connection with the Great Lakes and the Gulf. That will be the main trunk line; the Missouri, the upper Mississippi, the Ohio Rivers, and the intra-coastal canal will be the tributaries. And so we must all work hand in hand to complete the Illinois part of this project at the earliest possible moment.

IMPROVEMENT OF THE MISSOURI RIVER

We are here to discuss the improvement of the river that carries more water in it than any of the other rivers, and in all probability when completed will be one of the best tributaries of the system.

There is no greater agricultural area in the world than that drained by the Missouri River. There is no soil more fertile and no section capable of sustaining a more healthful, thrifty, or prosperous population than this great interior district, and yet the Missouri Valley, productive as it is, has been held back in its development by the high freight rates which have prevented the equitable transportation of its commodities to the markets in other sections of the United States and to outside markets of the world. The development of industry in the midst of agriculture would contribute immeasurably to the development of this great agricultural section, but high railroad rates, which prevent manufacturers in this area competing with manufacturers located where cheap water rates are available, either along the Great Lakes, the seashore, or the Gulf, have deterred factories from locating in this district.

As an evidence of what cheap water transportation will do we have only to point to the development of industries and factories and the growth of cities as a result of such development around the Great Lakes and along the seashore, while the cities along the Missouri River have struggled with little progress because of the inability of factories and industries to operate successfully in an area where freight rates are so high. The factories can move to the seashore, to the Lakes, or along the banks of already developed rivers, but the only way to bring relief to the great agricultural area of the Missouri Valley is to develop the highways which nature provided, making the Missouri River navigable first with a 6 and then with a 9-foot channel, and when cheap water rates reach the interior of agriculture the factories and industries will follow, and this great section will begin to prosper and grow as it has never done in its history.

Congress has adopted a 6-foot project from the mouth of the Missouri River to Sioux City. Some of the money has been appropriated and the War Department has allotted the money and the improvement of the project from Kansas City to the mouth is going forward with unprecedented speed. The Chief of Engineers advises that a 6-foot channel will be available some time in 1930. An abundance of money has been appropriated and is now available for river and harbor work and a substantial amount should be allocated, and work should be carried on with determination and vigor toward the completion of a 6-foot channel from Kansas City to Sioux City on the Missouri River. The faster this work is carried to completion the quicker cheap water rates will be available and the sooner the farm problem of the Missouri River Valley will be solved.

We have on the Ohio River a 9-foot project almost completed from Pittsburgh to Cairo. We have upon the Mississippi River a 9-foot project nearing completion from St. Louis to New Orleans and out to the sea. We have on the Illinois River a 9-foot project from Utica to the mouth, which I hope to see modified and completed in the near future, making a 9-foot channel from Chicago and the Great Lakes down the Mississippi River to New Orleans and out to the sea. The Missouri River should be made a part of this great system with channel widths and depths sufficient to permit the free interchange of 9-foot barges fully loaded so that freight can be carried in 9-foot barges without transfer from Sioux City, and later beyond, across the United States to Pittsburgh and down the Mississippi to New Orleans, where it will be accessible to ocean steamers for all foreign ports. To permit the Missouri to remain a 6-foot channel will have the effect of keeping the Missouri River Valley upon a narrow-gauge railroad while the commerce of the rest of the country is carried upon a wide-gauge track.

Congress two years ago authorized a survey of the Missouri River from Kansas City to the mouth with a view to providing for a 6-foot channel. The improvements now going on upon this section of the Missouri for the establishment of a 6-foot channel can all be utilized in the making of a 9-foot channel. This survey should be made and the report should be available for the December session of Congress in order that a 9-foot channel upon the Missouri River from Kansas City to its mouth may be authorized in the next river and harbor bill.

The next river and harbor bill should contain authority for a survey with a view to determining the feasibility of a 9-foot channel upon the Missouri from Yankton to Kansas City, for there is no section of the United States more in need of relief which such a channel would afford than this great Missouri Valley, and if the Missouri River from Yankton

to the mouth could be provided with a 9-foot channel, thus making it a part of this great waterway system, which in the near future ought to contain a 9-foot project upon the upper Mississippi from Minneapolis and St. Paul to St. Louis, then a great contribution will be made upon sound and economical lines toward the solution of the perplexing farm problem of the United States.

The products of the Missouri Valley are now tremendously handicapped in reaching the markets of our own country. We have in that part of the United States south of the Ohio and east of the Mississippi a great market for the products of the Missouri River Valley. If the Missouri could be improved to Yankton, the enormous reduction of freight rates which would follow would result in the construction of elevators at Cairo, Memphis, and Helena, so that the agricultural and feed products of this great section, utilizing a joint rail and water haul, could supply this southeastern area with profit to both sections of our country.

There is at Pittsburgh and along the upper Ohio River an enormous industrial area which needs the products of the Missouri River Valley. The average rail rate of the country, which apparently can not be reduced, is 11 mills per ton-mile. Commodities are being carried by lake steamers for 1 mill per ton-mile, and now that the Ohio is improved I am advised that coal is being carried upon this great river for 1 mill per ton-mile. This means that with a completed 9-foot channel between the agricultural area in the Missouri Valley and the great industrial area at Pittsburgh and along the upper Ohio steel and other commodities from one district can be exchanged for agricultural products from the other district at great profit to both, and nothing would contribute more to the prosperity and the increase of the taxable wealth of the whole country.

When such a waterway is completed and a dependable 9-foot channel is assured, elevators, flour mills, factories, and industries of all kinds will spring up along the Missouri, the population will increase, the cities will grow and prosper, and the hinterland of this great valley will thrive and develop as nature intended it should.

The Panama Canal from the day of its completion has served as a penalty upon this great Missouri Valley. It has enabled the products of the factories, the shops, and the mills of the Atlantic seaboard to interchange freely over the cheap water routes with the raw materials of the western seaboard, while the products of the Missouri River Valley, because of the excessive freight rates, have been unable to compete in the markets on either coast, with the result that the population of the cities upon the east and west coast have rapidly increased and their people have thrived and prospered while the Missouri River Valley has been stunted and its prosperity has been retarded and virtually destroyed.

To illustrate the hardships which the present rate structure imposes, there is developing in California and along the west coast an enormous poultry industry which consumes large quantities of grain products such as is produced in the Missouri Valley. Because of the present rates, the bulk of these agricultural products is being transported from Argentina by cheap water route along the east coast of South America through the Panama Canal and around to the west coast of our own country. A tariff sufficient to protect that market for the farm products of the Middle West would impose a hardship upon the consumers in California and the west coast. When a cheap water rate is established over nature's highway down the Missouri and Mississippi, through the Panama Canal and to the west coast, then the American producer and consumer of this commodity will both be benefited, and the prosperity of the whole country will be increased.

Our future markets are to the south of us, our trade with the West Indies, Central and South America has grown until it amounts to approximately \$1,400,000,000 annually, while our trade with France, Belgium, Germany, and Russia combined amounts to approximately \$400,000,000 annually. The bulk of that trade to the south of us is now enjoyed by American producers along our seashores, and because of the cheap water rates from foreign ports they are practically the only sections of the United States that could meet the competition of the world in this rapidly growing market. If the Missouri Valley is to have its place in the sunshine of the commerce of the world, and especially if it is to enjoy its share of the trade in Central and South America, a dependable 9-foot channel must be provided upon the Missouri and out to the sea, and cheap water rates by the improvement of this dependable channel must be brought to this great agricultural area.

CHANNELS EITHER COMPLETED OR PARTIALLY COMPLETED

We have on the Ohio River a 9-foot project almost completed from Pittsburgh to Cairo; we have upon the Mississippi a 9-foot project to the sea; we have on the Illinois River a 9-foot project from Utica to the mouth, which will be completed within two years.

The Illinois waterway, which is being built by the State, will also be completed within that time, thus making a connection from Chicago to New Orleans by water.

In the present rivers and harbors bill, I have introduced a bill for a project leading from the mouth of the Illinois River to St. Louis, making that part of the Mississippi River a 9-foot channel. When that is completed, then there will be a continuous 9-foot channel from Chicago to New Orleans.

The Missouri River should be made a part of this great system with channel widths and depths so that the barges can be loaded and the freight carried in 9-foot barges without transfer from Sioux City and later beyond, across the United States to Pittsburgh and down the Mississippi to New Orleans, where it will be accessible to ocean steamers to all foreign ports.

A 6-FOOT CHANNEL ON TWO RIVERS

The upper Mississippi River and the Missouri River have won authorizations for a 6-foot channel.

The improvements now going on upon these sections of the Mississippi and Missouri Rivers for the estimate of a 6-foot channel can all be utilized in the making of a 9-foot channel. A new survey should be made and the report should be available for the December session of Congress in order that a 9-foot channel upon the Missouri River from Kansas City to its mouth may be utilized for the next rivers and harbors bill and also upon the Mississippi River from St. Paul to the mouth of the Illinois River.

ADDITIONAL SURVEYS

The next rivers and harbors bill should contain authority for a survey with a view of determining the feasibility of a 9-foot channel to Kansas City, for there is no section of the United States more in need of relief which such a channel would afford than the great Missouri Valley, and if the Missouri River from Yankton to the mouth could be provided with a 9-foot channel, thus making it a part of this great inland waterway system when a 9-foot channel is completed from Yankton to the Mississippi River and from St. Paul to St. Louis, then a sound and economic contribution will have been added to the resources of the United States.

THE ST. LAWRENCE TO THE SEA

Some 10 years ago the proposition of developing the St. Lawrence River for ocean-going vessels was taken up in real earnest between the Governments of Canada and the United States. There was an exchange of notes between the two Governments in reference to the engineering phases of the project.

In the spring of 1927 the United States sent a note to Canada suggesting that we were ready to begin negotiating the treaty. Since that time, while some phases of the development have been agreed to, no definite understanding has been reached.

ECONOMIC VALUE OF ST. LAWRENCE

The St. Lawrence developed would be real farm relief, for it would reduce the export rate on wheat from Chicago and Duluth to Liverpool 10 cents a bushel. It would be one of the great instruments of completing the inland waterway system, but until such time as Canada will be willing to be fair with the United States it does not seem possible that it will be developed, and therefore it is my view that unless Canada is willing to do her part we should immediately negotiate with the State of New York and deepen to 12 feet the Erie Canal for a barge system, similar to what we have on the Mississippi system. In doing that you would have a way of shipping your products from Sioux City, Iowa, to Chicago through the Great Lakes, the Erie Canal, and the Hudson River to the Atlantic Ocean.

The policy of the administration is to build the waterways of the Nation. Herbert Hoover is its greatest friend and advocate. He believes in putting the rivers of the Nation to work; he is an engineer and can visualize their worth. He will push this development forward if given the opportunity by the Congress of the United States. We therefore should work in harmony with the President and not embarrass him by advocating impossible projects. We can confidently expect his support, and when every channel is completed we may assume that it was the man in the White House that made it possible.

And now, my friends, in conclusion let me say to you, the completion of this splendid waterway system, which constitutes America's greatest natural resource, will render a great service to the Nation and to the world.

This mighty empire, known as the Mississippi Valley, will become the most prosperous and productive portion of our Nation, the abiding place for happy, prosperous, and contented people, with the beneficent endowment of a generous Government, will encourage those virtues of citizenship and be the guaranty and the perpetuity of this great Republic.

RESTRICTED IMMIGRATION

Mr. BOX. Mr. Speaker, I ask unanimous consent to speak for five minutes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. BOX. Mr. Speaker, the Assembly of the State of California and the senate thereof recently passed Joint Resolution No. 11, which has been presented to the Senate by the President of the Senate and by the senior Senator from that State. I ask unanimous consent that it be read in my time.

The SPEAKER pro tempore. Without objection, the Clerk will read.

There was no objection, and the Clerk read as follows:

CALIFORNIA LEGISLATURE,
ASSEMBLY CHAMBER,
FORTY-EIGHTH SESSION,
Sacramento.

Assembly Joint Resolution 11, relative to restricted immigration Chapter 95

Whereas the legislature of this State has consistently urged adherence by the United States to a policy of restricted immigration; and

Whereas the present absence of restriction and supervision of immigration across the southern boundary line of the United States opens the door annually to thousands of citizens of the Republic of Mexico, to large numbers of citizens of nations under the quota who would otherwise be excluded, and to many aliens ineligible to citizenship; and

Whereas the standard of living of the great mass of citizens of the Republic of Mexico is such that no good reason exists why the citizens thereof should be given preference as to entry into the United States over the peoples of the European stocks from which the great majority of American citizens are descended; and

Whereas the influx of laborers across the Mexican border causes unfair and unjust competition to American labor, and at the same time abrogates and nullifies the beneficial results to be expected from a national policy of restrictive immigration; and

Whereas the continued unrestricted inflow of Mexican people and the rate of increase of those already here mean the gradual replacement of the American people by those of Mexican blood, and indicate that in the near future the populations of the Southern and Western States of the United States will become predominantly Mexican: Now, therefore, be it

Resolved by the Assembly and the Senate of the State of California, jointly, That the legislature of this State protests against a continuance of the present unrestricted immigration from the Republic of Mexico; and be it further

Resolved, That the Congress of the United States be, and it is hereby, respectfully petitioned and urgently requested promptly to provide legislation placing the Republic of Mexico within the provisions of the restrictive immigration laws of the United States and providing a proper annual immigration quota therefor; and be it further

Resolved, That a copy of this resolution be transmitted to the President of the United States, the Vice President of the United States, the Speaker of the House of Representatives of the United States, and to each Senator and Representative in Congress from the State of California.

EDGAR C. LEVEY,
Speaker of the Assembly.

Attest:

ARTHUR A. OHNIMUS,
Chief Clerk of the Assembly.

Mr. BOX. Mr. Speaker and gentlemen, I have advice from a reliable source that this resolution passed the Assembly of the State of California by a vote of 42 to 6, and passed the senate of that State by a vote of 21 to 4. I had it read for the information of the House.

LIEUT. APOLLO SOUCEK

Mr. LA GUARDIA. Mr. Speaker, I ask unanimous consent to proceed for one minute in order to make an announcement.

The SPEAKER. Is there objection?

There was no objection.

Mr. LA GUARDIA. Mr. Speaker, I am sure the House will be glad to hear that the officials of the Bureau of Standards have just finished calibrating the instruments and verifying the sheets of the flight made by Lieut. Apollo Soucek, of the United States Navy, on June 4, 1929, and find that he reached an altitude of 38,560 feet, thereby establishing a new world record for altitude for seaplanes. [Applause.] On May 8, 1929, Lieutenant Soucek established a world record with a land plane, reaching an altitude of 29,140 feet, which record was taken away from the United States a few days later by Germany. The United States Navy is now preparing a plane with which it is expected that we will recapture that record. I feel sure that the applause and congratulations of every Member of the House go to the United States Navy and to Lieut. Apollo Soucek. [Applause.]

THE PRESIDENTIAL ELECTION OF 1928 AND THE ELECTORAL COLLEGE

Mr. LEA of California. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD upon a resolution which I recently introduced.

The SPEAKER. The gentleman from California asks unanimous consent to extend his remarks in the RECORD upon a resolution recently introduced by him. Is there objection?

There was no objection.

Mr. LEA of California. Mr. Speaker, the presidential election of 1928 again gave a striking demonstration of the crude,

antiquated character and inherent injustice of the Electoral College system of electing the President. It demonstrated that the Electoral College should be abolished and a just, practical system provided in its stead.

Nearly 37,000,000 people voted at that election. Secretary Hoover received over 21,000,000 votes and Governor Smith over 15,000,000. The vote for Hoover was 53 per cent of the vote of the Nation and that of Smith 40 per cent. In the Electoral College Hoover received 444 electoral votes and Smith 87. In other words, Mr. Hoover had over 83 per cent of the electoral vote, or 25 per cent more of the electoral than the popular vote. Smith received a little over 16 per cent of the electoral vote, or about 24 per cent less than of the popular vote. Taking the vote of the Nation as a whole, an electoral vote for Hoover represented 48,180 popular votes and an electoral vote for Smith represented 172,602. In other words, an electoral vote for Smith represented more than three and one-half times as many people as an electoral vote for Hoover.

In 1912 Wilson received 435 electoral votes and Taft received 8. Each electoral vote for Wilson represented 14,451 voters and each for Taft 435,490. Each of Taft's electoral votes represented thirty-one times as many popular votes as an electoral vote for Wilson.

Smith received 15,000,000 votes. In the eight States he carried, he received 1,640,000 votes and their total electoral vote of 87. He received 13,576,000 votes in States from which he did not secure a single electoral vote. In other words, 1,640,000 popular votes gave him 87 electoral votes and 13,576,000 popular votes gave him no electoral vote.

Had the electoral vote of each State been divided between the candidates according to their proportion of the popular vote in each State, the total electoral vote would have been 231 for Smith and 291 for Hoover. As the votes were in fact counted, Smith had 29 that belonged to Hoover and Hoover had 175 that rightfully belonged to Smith.

Hoover received 2,200,000 votes in the State of New York. Smith received 2,100,000. Hoover had less than 50 per cent of the popular vote of New York, but received its entire 45 electoral votes. Smith received over 46 per cent of its popular vote and none of its electoral votes.

In Massachusetts, Smith received slightly over 50 per cent of the popular vote and Hoover over 49 per cent. Smith received the entire 18 electoral votes and Hoover received none.

Had 404,000 Hoover votes been properly distributed in the eight States carried by Smith, the entire electoral vote would have been for Hoover. Smith, with 15,000,000 popular votes representing over 40 per cent of the popular vote of the Nation, would have been without a single electoral vote.

In the election of 1928, 38 per cent of all the electoral votes cast for Hoover and Smith were counted exactly opposite to the way intended by the people who cast the popular votes, which the electoral votes were supposed to represent. Only 62 per cent of the electoral votes of the Nation were counted in accordance with the will of the people those votes represented.

Manifestly such a system of counting votes is repugnant to any man's sense of fairness and political justice. No man can defend the Electoral College system unless he can defend a practice that takes from a minority candidate all credit for 49 per cent of the popular vote of a great State and gives the majority candidate the whole vote of the State. The only chance the minority candidate has to overcome the injustice of this irrational method of computing the result is to secure from other States of the country a similar or greater number of votes not intended for him but for his opponent. Such a system is not only inherently unjust but is morally vicious and indefensible.

FUNDAMENTAL VICE OF ELECTORAL COLLEGE SYSTEM

The fundamental vice of the Electoral College system is in counting the State vote as a unit. The whole electoral vote of the State goes to that candidate who receives only a part of the vote of its people. The plurality candidate receives the whole vote of the State regardless of whether he receives a majority of the State vote, and regardless of how large may be the minority vote of his opponents.

Let me illustrate the viciousness of the unit system. Suppose two candidates run for President. One candidate carries New York over the other candidate by 5,000 majority, and the other candidate who lost New York, carries Nevada by 5,000. Thus the popular vote of those two candidates would be exactly equal, but the man who carried New York would receive 45 electoral votes and the one who carried Nevada would receive only three electoral votes.

Under the Electoral College system, if the popular sentiment among the voters throughout the Nation was almost equally divided in each State, a candidate who received only 51 per cent of the popular vote in each State would receive all of the

electoral vote. The candidate who received the other 49 per cent would not receive a single electoral vote, even though the minority candidate polled 49 per cent of the votes of the country.

You must agree there is absolutely no justice inherent in such a system of election. Whether or not political justice is accomplished is purely a matter of luck, a gamble, and does not depend upon the inherent quality of the law, because the Electoral College system has no inherent quality of political justice.

DISFRANCHISES VOTERS

In other words, the Electoral College system is a method of disfranchising minorities in every State of the Union, so far as the presidential election is concerned. The minority vote is not only not counted for the candidate for whom cast, but is, for every practical purpose, transferred to and counted for the majority candidate against whom it was cast. That is a system without reason or inherent justice. It is a system of legalized political immorality. If it were properly instead of votes that was misappropriated, we would call it grand larceny or embezzlement.

Three times in our history, under this system of election, a candidate having the plurality for President has been defeated and a minority candidate selected to the Presidency.

In the election of 1912, in a three-cornered contest, President Wilson received 42 per cent of the popular vote of the country and 82 per cent of the electoral vote. That was a discrepancy of 40 per cent between the electoral and popular vote.

During the last 13 presidential elections the average discrepancy between the electoral and popular vote of the candidate elected has been over 15 per cent. No President elected during that time has received a majority of the popular vote equivalent to 11 per cent of the vote of the country.

In 1916 La Follette received 16 per cent of the popular vote of the country and only 3 per cent of the electoral vote.

DOUBTFUL STATES

Is it possible that a system of allocating electoral votes so in disregard of inherent justice should have no ill effect upon the political life of our country? The selection of a minority candidate over a plurality candidate, as has occurred three times in our history, is a political injustice of the first order. The only legitimate purpose of a popular election is to effectuate the will of the voters. A system that operates to produce a result directly opposite to that intended by the voters is condemned by its own incapacity to do political justice.

Under this system, in practical effect, the presidential election is reduced to a contest in a comparatively few "doubtful States." The result in most States is known and decided in advance. Minority votes are to be disfranchised and counted for the opposition. The whole vote of the State will go to one man. The presidential election in that State is reduced to the contemptible status of a theoretical contest, without minority votes, no matter how great the number, contributing to the final result.

Under this situation the Nation witnesses the evil political influences of the country concentrated in a few "doubtful States," where the unearned electoral votes may be most easily obtained. The turning of a few thousand votes may mean the total electoral votes of great States like Massachusetts, New York, Ohio, and Illinois, and the election for the whole Nation may thereby be won.

The Electoral College system makes the result of the election dependent on a few "doubtful" States. The effort is to "carry" those doubtful States. Under the proposed plan, whether any particular State was "carried" would be of little consequence. The fundamental effort of the candidates would be to secure as many votes as possible everywhere. The votes would become important in every State. Under the present plan a few thousand votes are of little consequence in the "solid" States. They would become of equal consequence with votes of every State in the Union under the plan I am proposing.

Many deplore the lessened interest of the people in our elections and public affairs. We could help improve general public interest by giving to the voters in presidential elections equal rights and a greater dignity and importance in practically every State in the country.

REASON FOR ELECTORAL COLLEGE

The Electoral College system was originally chosen as a means of selecting the President before we had any parties and when it was deemed best that the choice of a President should be left to a limited number of impartial presidential electors chosen by the various States to use their own best judgment. When the party system developed the presidential electors were deprived of all discretion as to whom they should select for President, and the

reason for the Electoral College then ceased to exist. For nearly 140 years we have retained this archaic, antiquated, and inherently unjust system of electing the President.

THE PROPOSED PLAN

I have to-day presented to Congress House Joint Resolution 102 proposing to abolish the Electoral College system of electing a President. This resolution, if adopted, would do these definite things:

First. Abolish the Electoral College system of electing the President and Vice President.

Second. Provide for the direct election of the President and Vice President. Instead of voting for the presidential electors the people would vote directly for the presidential candidates.

Third. Each State would retain its proportion of electoral votes as at present. It would have electoral votes but not presidential electors.

Fourth. Each candidate would be given such proportion of the electoral votes of the State as his popular vote therein bears to the total vote for all candidates. The proportionate vote of the State would be substituted for the present unit vote. Instead of giving the whole vote of the State to the leading candidate, this amendment proposes to give to each candidate the part of the State vote given him by the voters, no more, no less.

Fifth. In the interest of simplicity a simple method of computing the results is provided under which fractional numbers less than one one-thousandth would be disregarded unless a more detailed calculation would change the result of the election.

Sixth. The person receiving the greatest number of electoral votes shall be elected. This avoids the possibility of a deadlock or the necessity of having an election in the House of Representatives or in the Senate.

TABLE ILLUSTRATES PLAN

Under the plan advanced in this proposal both Smith and Hoover would have received part of the electoral votes of every State in the Union. The electoral votes in each State would have been divided between them in exact proportion to the popular votes received by each.

I am presenting herewith a table showing the official results of the last election and also what the results would have been had the proposed plan been in operation.

The table, for purposes of illustrating the proposed plan, also includes the socialist vote for Thomas. Certain other candidates received small numbers of votes which it is unnecessary to include for the purpose of illustrating the proposed plan.

This table shows that had the votes for Hoover and Smith been justly apportioned in each State, according to the vote of the candidates, Hoover would have received 291.398 electoral votes and Smith 231.252, or a majority in favor of Hoover of over 60 electoral votes instead of 357.

Each candidate would have received exactly the number of electoral votes to which he was entitled according to the popular vote of each State. The division of the State vote would have been on a basis manifestly and inherently just to each candidate, and the result would have been an exact expression of the will of the people of the country.

A second table I present shows the relative distribution of the party votes at the last presidential election. An examination of this table will show, with some exceptions, a comparatively close parallel between the relative party strength of the two parties over the Nation.

Two parties of comparable strength are generally regarded as desirable to restrain and prod each other to the ultimate advantage of the country. The fairly comparable strength of one, as compared to the other, although differing greatly in strength, has a wholesome advantage to the country. This advantage is largely lost through the unit system of casting the State vote in presidential elections. Its advantage to the country would be greatly accentuated by an equitable division of the State vote between the two parties.

PUBLIC WELFARE REQUIRES THIS NEW PLAN

If this plan shall be adopted, we will no longer have "solid" sections. Minorities will be disfranchised in no State. The presidential contest will be transferred from the few doubtful States to every precinct in the Nation. Whether the individual citizen lives in Maine, California, Georgia, or Wisconsin, he will have the same motive to vote and help elect his man. Whether he belongs to the majority or the minority, his vote will be counted and be equally effective in determining the result of the election. It will no longer be possible to win the election by corrupting the electorate or stealing a few thousand votes in a few doubtful States. Efforts in that line will become futile. The few thousand votes will be deprived of their fictitious value. The small balance or majority in any State can no longer be used as a means of disfranchising the minority in the State and

securing its total electoral vote. That vote will be apportioned according to the popular vote. Who is there interested in the welfare and future of our country, who should not welcome a new system of presidential elections, under which every voter of the Union can have an equal interest and equal part in determining the result of the presidential election? Under this proposed plan, the evils of the present system and of the sectional system will be minimized, if not disappear.

At the present time, the State vote is equally effective in electing a candidate whether his majority be 1,000 or 500,000. How much more wholesome would the political atmosphere be where each State contributes to the success of each candidate according to the proportion of popular support of its people.

WHY ELECTORAL VOTES?

On first impulse one is likely to assume that the proper substitute for the Electoral College system would be the aggregate voting system under which State lines would be disregarded, the whole vote computed and the election given to the candidate receiving the highest aggregate vote. A brief study of the situation will convince anyone of the futility of attempting to secure an amendment providing for such a system.

In the first place, without going into details, we have such an inequality between the States as to voting populations that it would be impossible to secure the ratification of such a proposal by a sufficient number of States. The percentage of people who vote under the different qualifications and conditions of States varies as much as 30 per cent. States of low percentage voting population would naturally be unwilling to place themselves on an equality with other States on a basis of voting population.

The present apportionment of voting strength of the States is based upon population and not on the number of voters. The State which has 2,000,000 inhabitants has a certain number of electoral votes regardless of the percentage of its population who may vote. Whether 10 or 35 per cent of its people vote is immaterial in determining the electoral vote it may have. This amendment does not propose a change in that fundamental basis of apportionment.

In the second place, the Constitution was finally agreed upon with a definite understanding that the little States were to have the advantage of equal representation in the Senate and consequently a superior advantage in the election of a President. Ten States have half the population of the country and 20 Senators. The other 38 have the other half of the population and 76 Senators. Each of these Senators is represented by an electoral vote, which has the effect of giving the little States 10 per cent advantage over the big States in the selection of a President. This power can not be taken from them without their own consent. They were assured that advantage on condition of which they entered the Union. It is impractical to attempt to deprive them of that right now.

The proposed plan abolishes presidential "electors" but retains electoral votes. In this way the relative strength of the States in the election of a President would be retained as at present. The "electoral votes" of the State, instead of being cast as a unit for the plurality candidate, however, would be divided among all candidates according to their popular votes.

COMPUTATION OF RESULTS

This plan would result in fractional votes. The mathematical problem is reduced to the simplest terms by providing that fractional numbers less than one one-thousandth shall be disregarded unless a more detailed calculation would change the result of the election. As illustrated by the annexed table, this means that only three figures are carried beyond the decimal point. Should any rarely close election result, fractions could be carried to the remotest figures to avoid any deadlock. In all human probability, it would never become necessary to tabulate figures beyond the third figure after the decimal point. A child in the eighth grade can compute the result without difficulty.

DEADLOCKS

Every intelligent system of election must provide a method of breaking deadlocks. The constitutional method of breaking deadlocks under the Electoral College system is objectionable as the system itself.

If, under a contest of three or more candidates, or for other reasons, any presidential candidate fails to receive a majority in the Electoral College, the election is thrown into the House of Representatives. The House of Representatives in such an election votes by States, each State having a vote which is cast as a unit, the Representatives from that State determining how such vote shall be cast. A majority of such State votes can elect even though such a majority may be made up of far less than a majority of the membership of the House. Pennsylvania, with 38 electoral votes, has no more power than Wyoming, with 3 electoral votes. New York, with 11,000,000 people, has no more power than Nevada, with 250,000 people.

In case of election in the House, the Members would probably divide, according to their party affiliations. The party control of a majority of the States may be different from a majority control of Congress, or the majority control of Congress may be in a different party from that which received the greatest plurality or even the majority vote at the presidential election. In either event there is no assurance that the candidate selected by the House of Representatives will be selected in accordance with the popular favor, even though the popular choice was clearly demonstrated in the presidential election. The Electoral College system gives no reliable assurance that the plurality candidate will be selected. Neither does the system of breaking deadlocks in the House of Representatives provide any assurance that the popular choice will be selected. This system of breaking deadlocks in the House provides a method by which the will of the people as established at the election may be thwarted.

If a deadlock for the election of the President is accomplished in the House, all presidential candidates are defeated and the breaking of the deadlock is left to the Senate, where a choice may be made between the two highest candidates for Vice President. There a majority vote of the Members prevails. Again there is no assurance that the popular will, which may have been clearly demonstrated in the presidential election, shall be carried out by the election of the people's choice.

Under the plan of election I propose a deadlock of the election between the candidates is impossible. One popular vote in any State in the Union, or even a fraction thereof, can break a deadlock. A separate vote is recorded in each State for Vice President, and even if a deadlock between the presidential candidates were possible, it would not be humanly possible as between the vice presidential candidates, and an election would result. The plurality candidate would be selected.

FOR BETTER GOVERNMENT

Our Electoral College system is crude in its operation, unreliably reflects public sentiment, is totally disqualified to meet the situation at any time when three sizable parties develop. It may at any time again result in the election of a minority over a plurality candidate, or even over a majority candidate. The electoral system tends toward the development of the one-party system in the State, creates indifference in the presidential election, disfranchises minorities in the State, and awards votes to the majority candidate that were in fact cast for the minority. The reason for the system disappeared 140 years ago. Its maintenance to this hour is a reflection upon the progressive intelligence of American statesmen.

I bespeak the interest and support of the friends of clean, efficient, popular government in order that this antiquated, unjust system may be abolished and be substituted by a system inherently just and wholesome in its political consequences.

Election results, 1928, under present and proposed methods

	Popular vote			Percentage of popular vote			Electoral vote		Electoral vote under proposed plan		
	Hoover, Republican	Smith, Democrat	Thomas, Socialist	Hoover, Republican	Smith, Democrat	Thomas, Socialist	Hoover, Republican	Smith, Democrat	Hoover, Republican	Smith, Democrat	Thomas, Socialist
Alabama	120,725	127,797	460	0.484	0.514	0.012	3	12	5.808	6.168	0.012
Arizona	52,533	58,537	429	0.575	0.622	0.002	3	9	1.725	1.266	0.018
Arkansas	77,751	119,196	429	0.393	0.602	0.002	13	9	3.537	5.418	0.018
California	1,162,323	614,365	19,595	0.646	0.341	0.010	13	6	8.398	4.433	0.130
Colorado	253,872	133,131	3,472	0.647	0.339	0.008	6	6	3.882	2.034	0.048
Connecticut	296,614	252,040	3,019	0.536	0.455	0.005	7	7	3.752	3.185	0.005
Delaware	68,860	36,643	329	0.640	0.346	0.003	3	3	1.920	1.038	0.009
Florida	144,168	101,764	4,036	0.568	0.401	0.015	6	6	3.408	2.406	0.090
Georgia	63,498	129,602	124	0.277	0.565	0.008	4	14	3.878	7.910	0.082
Idaho	99,848	53,074	1,308	0.647	0.344	0.006	29	4	2.588	1.376	0.174
Illinois	1,769,141	1,313,817	19,138	0.569	0.422	0.002	15	15	16.501	12.238	0.030
Indiana	848,290	562,691	3,871	0.596	0.395	0.002	13	10	8.940	5.925	0.026
Iowa	623,818	378,936	2,960	0.618	0.375	0.008	13	10	8.034	4.875	0.080
Kansas	513,672	193,003	6,205	0.720	0.270	0.008	13	10	7.200	2.700	0.080
Kentucky	558,064	381,070	837	0.593	0.405	0.004	6	10	7.709	5.265	0.024
Louisiana	51,160	164,655	1,068	0.237	0.762	0.004	8	18	2.370	7.620	0.024
Maine	179,923	81,179	1,701	0.570	0.423	0.003	4	18	4.116	3.384	0.054
Maryland	301,479	223,626	6,262	0.491	0.502	0.003	15	12	8.838	9.036	0.030
Massachusetts	775,566	792,758	3,516	0.703	0.288	0.006	12	10	10.545	4.320	0.072
Michigan	965,396	396,762	6,774	0.577	0.408	0.002	18	10	6.956	4.896	0.036
Minnesota	560,977	396,451	1,788	0.551	0.441	0.002	18	10	1.780	8.200	0.036
Mississippi	27,153	124,539	3,739	0.551	0.441	0.008	4	8	9.990	7.938	0.032
Missouri	834,080	662,562	1,667	0.583	0.404	0.008	12	8	2.332	1.616	0.048
Montana	113,300	78,578	3,434	0.631	0.361	0.004	3	3	5.048	2.888	0.032
Nebraska	345,745	197,959	14,090	0.565	0.434	0.002	4	4	1.695	1.302	0.008
Nevada	18,327	80,715	455	0.586	0.410	0.003	3	3	2.344	1.640	0.042
New Hampshire	115,404	616,517	4,897	0.597	0.397	0.003	14	3	8.358	5.558	0.042
New Jersey	926,050	616,517	4,897	0.597	0.397	0.003	14	3	1.770	1.224	1.080
New Mexico	69,645	48,211	287,078	0.548	0.451	0.024	45	12	22.095	21.015	5.412
New York	2,193,344	2,089,863	107,332	0.491	0.467	0.003	12	5	6.576	5.412	0.015
North Carolina	348,992	287,078	842	0.548	0.444	0.003	24	10	2.740	2.220	0.072
North Dakota	131,441	106,648	8,683	0.648	0.344	0.006	3	5	15.552	8.256	0.060
Ohio	1,627,546	864,210	3,924	0.637	0.354	0.008	24	5	6.370	3.540	0.040
Oklahoma	394,046	219,174	109,223	0.642	0.341	0.005	38	5	3.210	12.844	1.190
Oregon	205,341	109,223	18,647	0.652	0.338	0.005	5	9	24.776	2.450	0.217
Pennsylvania	2,055,382	1,067,586	118,973	0.483	0.490	0.001	20	12	2.415	1.960	0.012
Rhode Island	117,522	118,973	47	0.046	0.913	0.001	4	4	3.005	5.520	0.020
South Carolina	3,188	62,700	443	0.601	0.392	0.001	7	8	6.444	9.620	0.020
South Dakota	157,603	102,660	631	0.537	0.460	0.005	4	4	10.340	1.816	0.020
Tennessee	195,388	167,343	722	0.517	0.481	0.005	4	4	2.140	2.672	1.312
Texas	367,036	341,032	954	0.535	0.454	0.005	12	7	2.672	5.496	0.035
Utah	94,618	80,985	250	0.539	0.458	0.005	12	7	4.690	3.280	0.016
Vermont	90,404	44,440	263	0.584	0.410	0.017	3	3	6.955	5.746	0.221
Virginia	164,609	140,146	250	0.539	0.458	0.005	12	7	1.872	1.038	0.027
Washington	335,844	156,772	1,313	0.584	0.410	0.017	13	3	1.872	1.038	0.027
West Virginia	375,551	263,784	18,213	0.535	0.442	0.009	3	3	1.872	1.038	0.027
Wisconsin	544,205	450,259	788	0.624	0.346	0.009	3	3	1.872	1.038	0.027
Wyoming	52,748	29,299	788	0.624	0.346	0.009	3	3	1.872	1.038	0.027
Total	21,392,190	15,016,443	267,420				444	87	291.398	231.251	2.872

Distribution of party votes, 1928

	Popular vote		Percentage of popular vote		Percentage distribution of party votes	
	Hoover	Smith	Hoover	Smith	Republican	Democratic
New England:						
Maine	179,923	81,179	0.686	0.309		
New Hampshire	115,404	80,715	0.586	0.410		
Vermont	90,404	44,440	0.668	0.328		
Rhode Island	117,522	118,973	0.483	0.490		
Massachusetts	775,566	792,758	0.491	0.502		
Connecticut	296,614	252,040	0.536	0.455		
Total	1,575,433	1,370,105			0.074	0.091

Distribution of party votes, 1928—Continued

	Popular vote		Percentage of popular vote		Percentage distribution of party votes	
	Hoover	Smith	Hoover	Smith	Republican	Democratic
Eastern:						
New Jersey	926,050	616,517	0.597	0.397		
New York	2,193,344	2,089,863	0.491	0.467		
Pennsylvania	2,055,382	1,067,586	0.652	0.338		
Maryland	301,479	223,626	0.570	0.423		
Delaware	68,860	36,643	0.640	0.346		
Total	5,545,115	4,034,235			0.258	0.269

Distribution of party votes, 1928—Continued

	Popular vote		Percentage of popular vote		Percentage distribution of party votes	
	Hoover	Smith	Hoover	Smith	Republican	Democratic
Southern:						
Virginia	164,609	140,146	0.539	0.458		
North Carolina	348,992	287,078	.548	.451		
South Carolina	3,188	62,700	.046	.913		
Georgia	63,498	129,602	.277	.555		
Florida	144,168	101,764	.508	.401		
Alabama	120,725	127,797	.484	.514		
Mississippi	27,153	124,539	.178	.820		
Louisiana	51,100	164,655	.237	.762		
Arkansas	77,751	119,196	.393	.602		
Texas	367,036	341,032	.517	.481		
	1,368,280	1,598,480			0.064	0.106
Border:						
Kentucky	558,064	381,070	.593	.405		
Tennessee	195,388	167,343	.537	.460		
Oklahoma	394,046	219,174	.637	.354		
West Virginia	375,551	263,784	.584	.410		
	1,523,049	1,031,371			.071	.069
Central:						
Ohio	1,627,546	864,210	.648	.344		
Indiana	848,290	562,691	.596	.395		
Illinois	1,769,141	1,313,817	.569	.422		
Iowa	623,818	378,936	.618	.375		
Nebraska	345,745	197,959	.631	.361		
Kansas	513,672	193,003	.720	.270		
Missouri	834,080	662,562	.551	.441		
Michigan	965,396	396,762	.703	.288		
	7,527,688	4,569,940			.352	.304
Northwest:						
Wisconsin	544,205	450,259	.535	.442		
Minnesota	560,977	396,451	.577	.408		
North Dakota	131,441	106,648	.548	.444		
South Dakota	157,603	102,660	.601	.392		
	1,394,226	1,056,018			.065	.070
Rocky Mountain:						
Montana	113,300	78,578	.583	.404		
Idaho	99,848	53,074	.647	.344		
Wyoming	52,748	29,299	.624	.346		
Nevada	18,327	14,090	.565	.434		
Utah	94,618	80,985	.535	.454		
Colorado	253,872	133,131	.647	.339		
Arizona	52,533	38,537	.575	.422		
New Mexico	69,645	48,211	.590	.408		
	754,891	475,905			.035	.032
Pacific:						
Washington	335,844	156,772	.670	.313		
Oregon	205,341	109,223	.642	.341		
California	1,162,323	614,365	.646	.341		
	1,703,508	880,360			.079	.069

FARM RELIEF

Mr. LANKFORD of Georgia. Mr. Speaker, in connection with my remarks on the farm relief bill, I ask unanimous consent to include in an extension a brief statement made by me before the Committee on Agriculture.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. LANKFORD of Georgia. Mr. Speaker, the farm bill agreed upon by the conferees is an improvement over the bill H. R. 1. It would be a much better bill, though, if it included the export debenture plan, as proposed by the Senate.

Much good may be accomplished by the present bill if good men with the welfare of the farmers at heart are appointed as members of the board; otherwise the scheme provided here will become an awful failure. Nothing that may be said now will in the least change the provisions of the bill reported by the conferees. I sincerely hope the bill may prove to be better than I expect. Let us all hope for the best under its operation.

The farmers and their friends will not be satisfied with the bill unless it helps them get a much better net price for their farm products. In fact, I predict that the export debenture scheme will be later written into law and that the farmers will not be satisfied until Congress not only does this, but fulfills its promise to place the farmer on an economic parity with other industries. I have felt that it was my duty to criticize the House bill. I am glad the conferees eliminated several of the objectionable features of the bill and still feel that the objections urged against the House bill were and are thoroughly proper criticisms.

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Mr. Speaker, it has been urged that those of us criticizing the present farm bill—H. R. 1—are inconsistent and making the present fight simply to embarrass the Republican administration, and not because at heart we believe in the merits of the export debenture plan proposed by the Senate.

I much rather a bill worthy of my support to the fullest extent was being passed. I have never sought to embarrass either a Republican or a Democrat fighting for the best interest of the farmer. I shall at all times, though, bitterly oppose those of both political parties, either in or out of office, who are enemies of worth-while farm legislation. The men in Congress who all the while are attempting to embarrass others are themselves most often embarrassed. They had better be discharging their duty rather than setting political traps and digging embarrassing pitfalls for others.

We are reminded of the Biblical injunction:

Whoso diggeth a pit shall fall therein; and he that rolleth a stone, it will return upon him.

Those who have not remained consistent and who have been setting traps for others are now most embarrassed politically by the present farm program. As usual, they are about to get caught in their own trap. They are about to become impaled in their own pit. Again, as usual, those caught in their own trap are making loud and long protestations of their own innocence. They are declaring some one else set the trap for them. Pitfalls are unfair to all, and oftentimes are more dangerous to those who dig them than to anyone else. It is a part of the eternal plan of justice and right that "he that rolleth a stone" with intent to injure another person shall himself be injured because of the very force he sets in motion, and "Whoso diggeth a pit shall fall therein."

Mr. Speaker, to more fully show my own consistency, to reinforce my position on farm relief, and to fully demonstrate that my present fight is not to embarrass anyone, but is the same it has always honestly been, I wish to quote from my statement made on February 25, 1928, before the House Committee on Agriculture, as follows:

Mr. ASWELL. Do you think you ought to vote your conviction whether you get a law or not?

Mr. LANKFORD. I am in favor of so amending the bill as to secure the passage of a good law at this time, if possible. I would not be in favor, let me say, of so amending this bill as to make it objectionable simply because we want to secure a law. There is danger always in legislation, as I see it, that goes just far enough to amount to an excuse of a bill, and yet not do what it ought to do for the farmer; and then the American farmer would feel like we had passed something for him, later on become dissatisfied with it and disheartened and not be willing even to have a stronger and better bill passed; and those who oppose real farm relief would later on say, "You have done this. You have passed a bill for the farmer. It is a failure. Why take up more time with farm relief?"

I do favor the passage of a bill which will be real farm relief. I would not favor a bill which I thought would not help the farmer, but which might wreck his hopes for a measure in the future.

Mr. KINCHELOE. Mr. LANKFORD, is the McNary-Haugen bill as it is drawn and pending before the committee, with the equalization fee eliminated, your choice of the bills, so far pending before the committee?

Mr. LANKFORD. No; I would prefer the bill I introduced, Mr. KINCHELOE. But of the bills other than mine to which your committee has given consideration and upon which you had hearings before you came to my bill I would prefer the McNary-Haugen bill with the equalization fee eliminated—I would prefer that to the Crisp-Curtis bill.

Mr. KINCHELOE. Or the debenture plan?

Mr. LANKFORD. I think the debenture plan could be passed along with the McNary-Haugen bill, as they are not inconsistent. You might pass the debenture plan and raise money for the farmer in that way through the sale of debentures and still pass the McNary-Haugen bill. They are not inconsistent at all, as I see it; they could be worked in harmony; they could be worked both at the same time. I do not see that the passing of the debenture plan would prevent the passage of the McNary-Haugen bill. I think you could pass the McNary-Haugen bill, with the equalization fee or without it, and also pass the debenture plan, if you wished.

I like the debenture plan; I think the debenture plan would help the American farmer. I believe it would cause him to get more for his products. I do believe that the debenture plan falls down on one proposition. I do not believe the debenture plan solves sufficiently the question of overproduction, and I think that is the greatest problem of all. The one problem which must be solved eventually is the control of production and marketing in behalf of the farmer.

Mr. KINCHELOE. Do you think the McNary-Haugen bill would do it with the equalization fee eliminated? That is the question which has been bothering my mind a long time.

Mr. LANKFORD. Of course, it would enable the board to take cotton off the market, as has been explained here. I have never been very strong for the McNary-Haugen bill. I voted for it, however, as the best bill in sight.

Mr. KINCHELOE. I mean overproduction. You take the Curtis-Crisp bill and these other bills—and I am not saying that in a criticizing way. I know it is as fundamentally sound as anything in the world that whenever you increase the price of agricultural products in this country—that is, if the seasons are favorable—you are going to increase production.

Mr. LANKFORD. You are going to increase production.

Mr. KINCHELOE. Absolutely.

Mr. LANKFORD. And you wreck the very machinery by which you propose helping the American farmer. So the greatest problem is the control of overproduction or the problem of marketing what has been produced. It would be all right for the American farmer to produce an abundance if he was able to keep it off the market. If he is able to look the world in the face and say, "It does not make any difference what I produce, I am not offering it for sale at all, and you can not get it."

Mr. PURNELL. What, in substance, is your plan?

Mr. LANKFORD. The bill I introduced is H. R. 77, patterned along the line of the War Finance Corporation act. I used the War Finance Corporation act as a basis for my bill. I used the first six or seven sections of that act, simply changing the name of the agency to the farmers' finance corporation.

Section 8 provides—

"that the corporation shall be empowered and authorized to make advances on farm products as collateral security to any bank, banker, trust company, or farm organization in the United States which has rendered financial assistance to any farmer, group of farmers, or farm organizations."

And this plan is a little different from the plan of ordinary bills, and I want to get it thoroughly before this committee.

Let me go over that again. The bill provides for the advance of money to certain banks, provided those banks have made advances to individual farmers of money.

"Provided—"

now here is the milk of the coconut and the gist and heart of the bill, if it has any—

"these advances are made through the banks only to the individual farmer: And provided, The farmers receiving such financial assistance shall have entered into contract with the corporation, as set out in section 11 of this act, and shall have kept and abided by all contracts so made."

Now this contract, which is set out in the bill, is a rough, crude contract drawn by me—which could be amended by the committee—provides that these farmers shall control their production as dictated and as determined by the cotton advisory council or the wheat advisory council, or other commodity advisory council.

It provides further that not only shall these farmers control the acreage which they plant each year, but they agree and obligate themselves not to sell any cotton whatever after they begin obtaining these loans, unless the cotton advisory council determines that a sale shall be made.

Mr. PURNELL. In other words, they borrow money on their crop and hold it on their own farms?

Mr. LANKFORD. On their own farms, or in warehouses, or in whatever way is necessary, so as to make the cotton to be produced actually for the debt. The plan is simply this, stated in other words, that we will create the farmers' finance corporation, which will loan money through the banks, to the individual farmers, to enable them to hold their cotton, provided the planters of 75 per cent of the acreage of cotton in the United States shall have signed the contracts agreeing to the control of their acreage planting, and agreeing to a control of the marketing.

Mr. PURNELL. What percentage of the value of the crop held by each individual farmer would you permit him to draw a loan upon?

Mr. LANKFORD. The bill provides for loans to the full value of the commodities. I say in the bill that he shall be authorized to borrow the average price at which that cotton has sold for the last 10 years.

Mr. ASWELL. Do you think you could get 75 per cent of the planters to sign that?

Mr. LANKFORD. I do not know; I believe we could. I believe you would be offering the farmers so much under this bill that they would sign up. I have great faith in the American farmer signing up contracts if you once offer him something to sign for.

Mr. PURNELL. In other words, you give him a loan on the basis of the full market value at the time the loan is made?

Mr. LANKFORD. No; I would go further, the bill provides for the full market average value for which the commodity sold for the preceding 10 years, which might be higher than the value at time of the loan.

I realize this, Mr. PURNELL, that if you loan the farmer the average price at which cotton has sold for the last 10 years or the average price at which wheat has sold for the last 10 years; and cotton is selling at 4 or 5 cents below that, or wheat is selling at several cents

below that price, it would be a foolish thing for the Government's agency to make that kind of a loan without additional safeguards.

Mr. PURNELL. Suppose the market price is below that average and a loss is sustained. Who is to pay that?

Mr. LANKFORD. That is a proper question and I am glad to answer it.

If 75 per cent of the producers of a commodity sign contracts that they will control their production, and, furthermore, that not only will they control their production, but that they will not offer for sale a single bushel of wheat or a single pound of cotton when the operation begins, but that they will hold it; if they need money they will borrow it from the bank and only sell for a fair price there will be no loss. The price can not drop below that average price at which they can borrow money. Why? Because the farmer will not sell below a price at which he can borrow money under the provisions of this bill. I provide in the bill that the commodity itself shall be the sole and only collateral for the debt, and that no judgment can be taken against the individual farmer for any loss.

Mr. ADKINS. Will you yield for a question?

Mr. LANKFORD. Yes; I will be glad to, Mr. ADKINS.

Mr. ADKINS. In my own country, where they have only 5 per cent of the storage facilities for wheat and oats, do you think you can get them to go into a contract of that kind?

Mr. LANKFORD. I am not so sure about that in the wheat section. Of course, if they could get them to go into it I believe it would work. You know more about the wheat proposition than I do.

I provide in the bill that there shall be such storage as shall be necessary, and I provide further in the bill that if possible and practical and feasible that the farmer be allowed to keep his commodity and store it himself, by properly insuring it, and making him responsible for it.

Mr. ADKINS. The point I had in mind is that practically all of them have practically no storage facilities for that, whether they would go into a contract of that kind or not and then have to build storage bins.

Mr. LANKFORD. I believe it can be worked out. It can be worked out for them to hold it separately or that wheat to be stored in bins and shipped to places where it could be held, but for the farmer still to retain his title in so many bushels of wheat of a certain grade, stored for his use. He could hold the receipt instead of holding the actual wheat.

Mr. SWANK. Do you make any provision for the acquisition of warehouses?

Mr. LANKFORD. I left that as a matter of detail to be worked out later. If the committee should decide that my bill embodies a good idea, that is properly a matter that can be worked out later.

I provide, if possible, that you would let the individual farmer hold his own commodity. He might conceivably ship it off, but it would be a crime, and I believe the average farmer can be trusted to hold it; and the loans being made through the banks, and the banks, knowing that that commodity is put up as collateral, would keep in touch with the collateral.

Mr. JONES. Just a question there: If you put that plan into operation and had your 75 per cent to sign, what would there be to prevent the other 25 per cent from increasing their acreage or making their sales any time they wanted to and taking advantage and possibly getting a higher price than those who had signed?

Mr. LANKFORD. The bill would prevent that.

Mr. JONES. What would there be to prevent new acreage by people who had not theretofore been in business?

Mr. LANKFORD. The question of new acreage would be solved under provisions in the bill. I provide this, however, that these loans shall only be made when planters of 75 per cent of the acreage for the ensuing year have signed the contract, to control the production and marketing. The bill provides that 10 per cent more must sign within 12 months from the time operations begin, and therefore 85 per cent must come in within 12 months after operation. Then I provide, further, that 10 per cent more must come in within the next year; and then that 7 per cent more shall come in within the next year, running it up to 97 per cent of the planters.

If the bill does work, if the plan is a good one, and if the American farmer finds he can borrow at the average price of his commodity and that there has been an organization perfected which enables him to control his production, which enables him to control the price, and name his price within reason, they will sign up 10 per cent more each year until they have 97 per cent in. The other fellows will be forced in just like labor unions force them in when they cry "scab," "not friends," "not in sympathy with the laboring man," "not dealing fair," etc. In other words, I believe they will sign up these contracts. If they do sign up these contracts, then it would solve the overproduction problem and marketing problem, and would enable the farmer to do exactly what I said that my father could not do in the way of naming the price of his cotton. It would enable the farmers by this organization to get together and simply say,

"We will not sell cotton or wheat except at a certain price. We produced this year an alleged overproduction, but that overproduction does not hurt you; it is not for sale." Or, "We have for sale as much

wheat as you need at a reasonably fair price. We have only as much cotton for sale as you are willing to pay us a fair price for."

The farmer for once in the history of the world by this organization could look the rest of the world in the face and say, "Cotton is so much a pound; how much do you want?" Or "Wheat is so much a bushel; how much do you want?" He could not do that to an unreasonable extent; he could not name a price of \$5 a bushel for wheat; he could not name a price of a dollar a pound for cotton. But he could name a price for his commodity within reason, just like the producers of steel and the producers of shoes and the producers of hats and clothing name the price of the articles which they produce, within reason.

Mr. JONES. Unfortunately, he could do that, if he could get anything like approximately a hundred per cent, law or no law. If you got 97 per cent in, you would not need any law.

Mr. LANKFORD. This is true, that if it worked at all the Government could not lose any money on it and then, again, in a little while the farmer would be absolutely independent; he would be absolutely master of his own fate and his own destiny.

The bill has another idea, Mr. JONES, and I will come to you, Mr. MENGES, later; I see your hand up for a question.

There is another feature of the bill which I think is really worth while, and that is this: It has a complete referendum in it. If you pass the McNary-Haugen bill, the farmer may say he does not want it. If you pass my bill, it enables 75 per cent of the producers of commodities to sign contracts and organize. Suppose they do not do it? No harm has been done. Suppose they sign up 75 per cent, and then decide they do not want it next year; it goes out of force and out of effect; they determine whether the bill shall go into operation; they determine whether 75 per cent under the bill shall begin operations as to any particular commodity.

They might decide they want to operate as to cotton and let the McNary-Haugen bill apply as to wheat and other commodities. If they liked it, they would get the additional signers; if they did not like it, they would not get new signers and they would repeal the bill. That is a most perfect referendum, not to the voters of the country, but to the producers themselves; not to a majority, but to three-fourths of them. If the bill is not good, it would not go into effect; if it is good and they keep it in effect it provides for the control of production and marketing, not by force, not by low prices, not by an equalization fee, not by anything else, but by a contract entered into mutually for the farmers themselves. All right, Mr. MENGES, I will be glad to yield to you.

Mr. MENGES. Your bill would not go into operation then until 75 per cent of the farmers had signed your contract?

Mr. LANKFORD. It would not.

Later, during the same remarks, I said:

The great trouble with the farmer to-day is that he can not control his sales. He can not control the time when he is going to sell his commodity. Why? Because his taxes are due, his interest is due, or because his bank note is due. He must sell his cotton. But cotton is down in price. He can not wait for it to go up. But if my bill goes into effect he can borrow the average price at which the cotton has been selling for the past 10 years and put his cotton up as the sole security. My bill would stabilize the price at the figure at which he could borrow. He would sign the contract because he would know that unless enough signed it to make it effective, the contract would not go into effect, and he would know that whenever enough signed it to carry it into effect then the price would be stabilized.

On February 25, 1928, I addressed the House Committee on Agriculture, in conclusion, as follows:

The farmers organized and won our independence more than a century ago. They have organized and given their country assistance in every war. They helped to put over the Liberty loan drive during the last war and sent their sons across the seas to fight at the call of their country. So, Mr. Chairman, I am sure they will enter into a plan with their neighbors to win for them and their children a new freedom of naming within reason the price of the products of their own toil. Let us do our part and knowing the farmers as I do, I vouch for their faithful discharge of their duty in full, as they have ever done.

Mr. Chairman, I wish to thank you and this committee for the courtesies shown me and for your most attentive attention to my presentation of this matter, in which we are all so much interested.

The CHAIRMAN. Thank you, Mr. LANKFORD; your statement is greatly appreciated.

ENROLLED BILL SIGNED

Mr. CAMPBELL of Pennsylvania, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 1648. An act to amend section 5 of the second Liberty bond act, as amended.

BILL PRESENTED TO THE PRESIDENT

Mr. CAMPBELL of Pennsylvania, from the Committee on Enrolled Bills, reported that that committee did on this day

present to the President, for his approval, a bill of the House of the following title:

H. R. 3083. An act to amend subsection (a) of section 26 of the trading with the enemy act, as amended by the settlement of war claims act of 1928, so as to authorize the allocation of the unallocated interest fund in accordance with the records of the Alien Property Custodian.

EXTENSION OF REMARKS—FARM RELIEF AGRICULTURAL MARKETING ACT

Mr. WHITTINGTON. Mr. Speaker, the House has to-day adopted the conference report on the farm bill. Under the leave to extend my remarks, I desire to submit a few observations on the export debenture plan, inasmuch as I have gladly cooperated with the administration and other friends of agriculture in passing agricultural legislation at this session. I represent a cotton district and I am thinking particularly of the plan in connection with the marketing of cotton.

There is universal agreement that the tariff can not be utilized for controlling or increasing prices of agricultural commodities of which there is produced an exportable surplus, like cotton, wheat, and corn.

The condition of the farmer can be improved by lowering the costs of goods which he buys or by raising the prices of the products that he sells. Reduction in the tariff generally will benefit the farmer. However, the domestic market is far more important than the foreign market. The United States is definitely committed to a tariff policy that amounts to protection to American industry. That policy will obtain until exports are overwhelmingly industrial. For some time to come the material reduction in tariff rates for the benefit of agriculture might as well be eliminated. Inasmuch as either a tariff or increased tariffs on staple commodities like wheat and short-staple cotton, where we are on an export basis, are not effective, the aim of agricultural legislation for the past decade has been to give to agriculture the unquestioned and equivalent benefits of the tariff.

The farmer asks that the spirit of the tariff be applied to his problem. He maintains that he can not pay the protected price for labor and other production factors and at the same time sell at the foreign price level.

The purpose of agricultural legislation is to place farming on an equality with manufacturing. It is admitted that protection results in great benefits to the manufacturer and his employees. It is axiomatic that the cost of this production is borne by the American consumer, which is the general public. It is maintained that equivalent benefits to agriculture should also be borne by the general public. It is the aim of farm legislation, either to make the tariff effective as to agriculture, or give to farming a benefit equivalent to that accorded to manufacturing.

Various plans have been proposed. The equalization fee has been advocated. It was embodied in the two bills passed by the Seventieth Congress and vetoed by President Coolidge. It is opposed by President Hoover. Its effects are doubtful. Its operations are quite complicated. In the case of cotton, where from 60 to 70 per cent is exported, an equalization fee in and of itself could scarcely be of benefit to the grower.

The export debenture plan is now proposed. It was first suggested by David Lubin, a member of the California Grange, in 1892. It was proposed by Prof. Charles L. Stewart, of the University of Illinois, and embraced in bills introduced in Congress in 1926 and in 1928.

The purpose underlying the debenture plan, according to its proponents, is to increase the domestic price above the world price. My thoughts are centered very largely around the effect on the price of cotton, and it is important to keep in mind that we export a far larger percentage of the cotton crop than we do of any other staple commodity. In truth, our exports always exceed domestic consumption. An increase in the domestic price, without a corresponding increase in the world price, would certainly be of doubtful and most precarious benefit to the cotton grower.

In the present extra session of Congress, the Senate has embraced the export debenture plan as an optional feature in the farm bill passed by the Senate. The plan provides that exporters of agricultural products shall receive from the Federal Treasury certificates that are negotiable and that are intended to represent the difference in the costs of production here and abroad. Such certificates can be used only in the payment of import duties. The purpose is to make the tariff effective on agricultural products.

BOUNTY

It has been suggested that debentures are in substance a bounty. The magic of a great name has been invoked in support of the plan. It is said that Alexander Hamilton in his celebrated Report on Manufactures, advocated bounties for agricultural products. There are but few instances of subsidies in

our history. A subsidy is a direct payment to encourage productions or operations. The American people prefer indirectness in such matters. We favor subsidies only indirectly. Indirect subsidies obtain in the merchant marine and in aid of transportation. A direct bounty or subsidy is of doubtful constitutionality. The revenue act of 1890, which was repealed on August 28, 1924, provided a bounty on sugar.

The constitutionality of bounties on production or on exports has not been determined. The Supreme Court of the District of Columbia, in the case of *United States v. Carlyle* (5 App. D. C. 138) held that the sugar bounty of 1890 was unconstitutional. It is true that Hamilton indorsed the principle of bounties. His primary concern was the promotion of manufactures. He favored the application of bounties, only to the extent of encouraging the domestic production of agriculture. Those who argue for the payment of a direct bounty to the farmer overlook the constitutional difficulties. The debenture plan is intended to obviate the constitutional objections. The Treasury would issue debentures just as it now issues drawback certificates, tobacco revenue stamps, and similar instruments under the tariff act. The export debenture plan would be no more a subsidy than the tariff drawback privileges now accorded to many American manufacturers, or the tariff reductions given to Cuban sugar.

The intention is to bring tariff benefits to the grower of crops of which there is an exportable surplus. Certificates of debenture would be issued by customs officials to exporters. Unless tariff benefits corresponding to those enjoyed by other groups are extended to the farmer, there can be no equivalent for agriculture. Those who produce exportable farm surpluses are obliged to pay tariff costs, while they sell their products at the world price.

CRITICISMS

The debenture plan like all bounties must presuppose to be effective, at least an equivalent import duty, otherwise the aim of the debenture or bounty would be defeated, since the entire output of a commodity might be exported and some of it reimported for domestic purposes. A direct bounty or a debenture without proper safeguards would undoubtedly increase production.

Bounties have been used only to increase domestic production so that the country can be economically self-sustaining. They have never been used either to raise the domestic price or to promote the handling of crops where there is produced an exportable surplus. The plan has certainly never been used in handling a crop like cotton, where more than one-half is exported. It is not my purpose to criticize without offering constructive measures. I know that inequality obtains. I am profoundly interested in removing it. Bounties and subsidies are no new things. They have been tried in other countries. We are asked to adopt the debenture because import debentures have been used by Germany, Sweden, Czechoslovakia, and England. The conditions under which the plan was used in foreign countries must be kept in mind. It has only been used to encourage domestic production in modern times.

Production is not our problem. Price is our aim. The purpose of its use in Germany was to encourage the production of sugar beets. It was used to equalize the benefits of the tariff in different sections of Germany. Bounties were abandoned in England almost a century ago. They were undoubtedly used there to encourage exports of agricultural products. The purpose was to increase domestic production. It must be borne in mind that the use of the bounty in England was under vastly different conditions from those prevailing in the United States. There was not quick and easy transportation and communication. The area for the growth of agricultural crops was limited. In the United States vast areas can be utilized in still further cultivation of exportable farm crops. Moreover, even in England there was a price fixed where the bounty became inoperative.

EQUALITY

I have but scant patience with those who advocate high tariffs and oppose the debenture plan because it is a subsidy. The American farmer must compete with cheap foreign labor. He is handicapped by paying for costs of protection to manufactures while he is denied the benefits that they promote. The farmer is no beggar or supplicant. He merely asks for justice. The theory of the debenture is the application of the tariff to agriculture. It is putting the protective policy in reverse, to use an automobile term.

The manufacturer begs the question when he says that the farmer should be more efficient. The manufacturer is selfish when he says that the farmer lacks initiative and that he is wanting in energy.

The manufacturer should be the last person in the world to criticize and denounce the farmer for asking for the equivalent

benefit of the tariff. If the manufacturer, with his boasted mass production, with modern machinery, with thorough organization, with efficient labor, can not compete with the foreign manufacturer, without high and prohibitive duties, it does not lie in his mouth to deny equivalent benefits to the farmer. The tariff is in reality a subsidy. The plan of the debenture is to merely reduce the receipts from the tariff. Why deny the farmer the equivalent benefits of the tariff?

I want to give the domestic producer in agriculture equality. Candor compels me to say, however, that those who advocate the debenture plan, by invoking the bounties advocated by Alexander Hamilton, have not produced an argument directly in point. The comparison is superficial. Hamilton stood for protection for infant industries. He stood for bounties to encourage domestic production in agriculture. He did not advocate a bounty to encourage exports of agriculture, nor did he advocate a bounty of agricultural products where exports had been produced for a long time.

COTTON

It is true that there is a debenture of 2 cents a pound on cotton in the Senate farm bill. There are restrictions against reimports and against production. I know the argument is that the debenture will increase the domestic price by the amount of the debenture rate. There is no magic about 2 cents a pound. The bills carrying the debenture plan introduced in 1926 and 1928 provided a rate of from 4 to 6 cents a pound on cotton. I doubt if a debenture that can not be received directly by the grower will be of material benefit to the farmer. It may result in benefits to the exporter alone. It will not suffice to raise the domestic price of cotton unless the world price is increased at the same time.

Again, I am much concerned about the ultimate effects of the debenture. I believe that Congress can pass legislation for the aid of agriculture. I believe that it can promote the interests of the cotton grower. I know there is inequality. It should be removed. I can not get my consent to believe, however, that the debenture plan suggested to Congress but little more than three years ago by a college professor in Illinois, although now fostered by the Grange, is the solution of the problem, and particularly as it relates to cotton. I had rather endure present evils than to embark upon a policy of greater hazards. Neither the Democratic nor the Republican Party has ever advocated the debenture plan. It is without political paternity.

There should be a modification of our national policy to correct the discrimination against farmers. This conclusion, however, carries no presumption in favor of the debenture plan or any other particular mode of correction of policies that discriminates against the farmer. The objections I suggest do not dispose of the problem finally. The debenture plan may be justified, even if many of the arguments in its support are unsound. Surely there is much need for careful examination and thorough investigation of the proposed measure, with its ultimate result, before it is adopted as a national policy. I do not condemn the conferees on the pending farm bill for its elimination. The House has done well to-day to approve the report without the plan.

What is the solution of the problem for the cotton grower? He is more sinned against than any other group. The tariff can not be used for the great body of the cotton crop. It would undoubtedly be of benefit to long-staple cotton, which is approximately 5 per cent of the domestic production.

The chief problems of cotton are the instability of price and periodic surpluses. By surplus I mean periodic overproduction. The great aim of the cotton grower is the stabilization of the price. The chief benefit from agricultural legislation will be loans from the revolving fund, which the Government should provide to prevent unduly the depression of prices resulting from a seasonal surplus, and further to prevent marked declines because of large crops. Cotton can be warehoused. The Federal farm board can do for cotton what the Interstate Commerce Commission has done for transportation. The revolving fund could be utilized to enable the cotton grower to receive the costs of efficient production. It is one of the courses of nature that one large crop is not followed by another. Abundant successive crops are unusual. The Government can aid the cotton grower. The tariff is not the remedy for short-staple cotton. The debenture plan may result in even further depressing the price.

THE REMEDY

The Government can aid by providing a farm board with a large revolving fund to stabilize prices, to iron out the seasonal as well as the periodic fluctuations. Such a program would not be a panacea for all agricultural ills. It would be a great step in the right direction. A further aid would be a reduction in high tariff rates on articles and products that must be used by

the cotton grower. This policy would not involve a complete reversal of the tariff policy that now obtains, but it would be in aid of equality for agriculture, inasmuch as the products used by the cotton grower are largely the products used by other growers of crops of which we produce an exportable surplus. Moreover, if tariffs are maintained to stimulate domestic production by either eliminating or making less effective foreign competition, and if the aim of industrial tariffs is to increase the volume and variety of manufactures, rather than the wealth of the owners of the factories, equivalent or substantial benefits where the tariff can not be effective will result to agriculture by the passage of the farm legislation providing for a central board, with a large revolving fund to stabilize prices of cotton and other exportable crops, and to provide for the surplus.

The American farmer only asks that he be granted the equivalent benefits of the legislation passed for the benefit of manufacturing, transportation, and banking. He pleads for agricultural legislation that will preserve the American farmer as a landowner and a home builder, and that will lead him to contentment and prosperity.

SUBSIDIES FOR RAILROADS, STEEL TRUST, AND FOREIGNERS

Mr. PATMAN. Mr. Speaker, there is a great deal being said against the debenture plan for the cotton and wheat growers on the theory that it is a subsidy to the farmers.

Granting, for the sake of discussion, that it is a subsidy, the farmers are as much entitled, and more, to a Government subsidy as any business or industry in the United States.

Many of the daily newspapers are condemning the debenture plan and saying it is economically unsound and wrong in principle because it is a subsidy. Daily newspapers receive a special postage rate, and in that way receive a subsidy from the Government. No postage is required in the county of publication, and out of the county they receive such a low postage rate that the Government is spending about \$50,000,000 each year more than the revenue received from that source. Therefore the taxpayers of our Nation are giving the daily newspapers a subsidy or bounty equal to \$137,000 a day.

The Interstate Commerce Commission permits certain industrial concerns and foreigners to receive a special freight rate from the railroads, which is equal to a subsidy. Our freight rate structure in the United States is so arranged that if a commodity is transported for less than cost to the railroads, that other commodities must pay a higher rate in order to make up for this loss and guarantee the railroads a fair return on their investment. Either the railroads are charging 100 per cent too much for freight rates on certain commodities or certain commodities are being transported over railroads 50 per cent too cheap.

In making the following observations we will presume that each carload contains 50,000 pounds.

The freight rate on agricultural implements from Chicago, Ill., to Galveston, Tex., is 41½ cents per 100 pounds if the agricultural implements go to foreign countries, but if they are used by the farmers of Texas, or used in the United States, the rate is \$1.05 per 100 pounds. The cost of transporting a carload is \$207.50 if intended for export. If intended for domestic use, the freight rate is \$525 a car. There is a direct subsidy to the Steel Trust and foreigners equal to \$318.50 a carload on agricultural implements.

The rate on cement from Chicago to Galveston, if intended for export, is 23½ cents per 100 pounds, but if intended for domestic use or consumption the rate is 79 cents per 100 pounds. The charges on the car between the two points for export are \$117.50; whereas if it is intended to be used by the home owners and farmers of Texas, or by the State to build roads, the charges are \$395 a car. Either the export rate is one-third of what it really should be or the domestic rate is three times what it should be. The freight charges on cement from St. Louis to New Orleans are \$87.50 a car if intended for export, but \$372.50 a car if intended for domestic consumption. Either the export rate is just 25 per cent of what it should be or our American people are charged four times too much. The freight charges on a car of fertilizer from St. Louis to Galveston are \$115 a car if intended for export, but \$180 a car if intended for domestic consumption.

The freight charges on salt from Indianapolis, Ind., to Galveston are \$145 if intended for export, but \$390 if shipped for domestic consumption.

Petroleum products can be transported from Chicago to Galveston at a rate of 28½ cents per 100 pounds, or \$142.50 a car, if intended for export, but if intended for domestic consumption the rate is \$1.05 per 100 pounds, or \$525 a car. Such products can be transported from St. Louis to New Orleans for 22 cents per 100 pounds, or \$110 a car, if intended for export, but 86 cents per 100 pounds, or \$430 a car is charged if intended for domestic consumption.

Packing-house products can be transported from Chicago to Galveston for 39 cents per 100 pounds, or \$195 a car, if intended for export, but if intended to be consumed by the American people in the United States the rate is \$1.05 per 100 pounds, or \$525 a car.

The freight charges on dry goods from Pittsburgh, Pa., to San Francisco, Calif., are \$1.44 per 100 pounds, or \$720 a car, if intended for export, but are \$1.73 per 100 pounds, or \$865 a car, if intended for domestic consumption.

The rate on packing-house products from Mason City, Iowa, to Galveston is 53½ cents per 100 pounds, or \$267.50 a car, if intended for export, but \$1.06 per 100 pounds, or \$530 a car, if intended to be consumed by the American people in the United States.

The freight charges on packing-house products from Mankato, Minn., to Galveston, Tex., is 53½ cents per 100 pounds, or \$267.50 a car, if intended for export and \$1.14 per 100 pounds, or \$572.50 a car, if intended to be consumed by Americans in the United States.

The railroad transportation charges on cement from Cincinnati, Ohio, to Galveston, Tex., are 17½ cents per 100 pounds, or \$87.50 a car, if intended for export, and 44½ cents per 100 pounds, or \$222.50 a car, if intended for domestic consumption.

The railroad freight charges on cottonseed meal from Louisville, Ky., to Galveston are 29½ cents per 100 pounds, or \$147.50 a car, if intended for export, and 81 cents per 100 pounds, or \$405 a car, if intended for domestic consumption.

The rate on pig iron from Portsmouth, Ohio, to Boston, Mass., is 26 cents per 100 pounds, or \$130 a car, if intended for export, and 46½ cents per 100 pounds, or \$232.50 a car, if intended for domestic consumption.

The freight charges on iron and steel from Chicago, Ill., to San Francisco, Calif., are 40 cents a hundred pounds, or \$200 a car, if intended for export, but \$1 per 100 pounds, or \$500 a car, if intended for domestic consumption.

The rate on cotton in compressed bales from Oklahoma City to Galveston is 88 cents if intended for export and 83 cents per 100 pounds for domestic consumption. From Little Rock, Ark., to Galveston, Tex., 75 cents per 100 pounds for export and 73 cents per 100 pounds for domestic consumption. From Wichita Falls, Tex., to Galveston, Tex., 65 cents per 100 pounds export rate and 63 cents per 100 pounds domestic rate.

The above information is compiled from data furnished to me by the Interstate Commerce Commission and contains a comparative statement of export with domestic rates in force on May 29, 1929.

With reference to rates on cotton to Galveston, it is seen that where the export rates are higher than the domestic rates, the export rates reflect expenses incidental to delivery to ship side at the port.

It will be noticed that foreigners and industrial concerns, as well as railroads and daily newspapers, are receiving a subsidy from our Government at the expense of the American taxpayers and the farmers and laborers of our Nation. If a subsidy is fair for special interests and big business, it is certainly fair for the people who produce the wealth of our Nation, the ones who build our country in time of peace and who save our country in time of war.

Mr. HALL of Illinois. Mr. Speaker, the farm bill now under consideration as it comes from the Senate and House conference and recommended for passage by that conference provides, in my opinion, an agency for accomplishing certain beneficent results for agriculture. Very properly, however, it does not assume the wisdom to know what detailed action will be necessary in the future to attain these objectives. The agency thereby created is the Federal farm board, and will be clothed with sufficient powers and will be provided with ample means to find and to put in effect the methods destined to accomplish the purposes we all so sincerely seek. This is exactly the theory on which the Federal Reserve Board was created to handle the problems arising out of the complexities of business, and upon which the Interstate Commerce Commission was created to regulate transportation. In neither of the latter cases did the initial legislation attempt to foresee or to provide for every condition with which these agencies would be confronted. They had to feel their way, adjust means to ends, and work out details of procedure under their powers as necessity and experience showed the way.

This is just exactly what this new agency, created to put agriculture on an economic equality with industry, must now do. It will have the authority and the money with which to find the way and the degree of success that it shall have in accomplishing its declared purpose depends largely upon the personnel of the board which shall be selected to put it into operation. The bill as now presented is capable of such action as will make the tariff more effective on all farm crops to the end that

periodical surpluses shall not be permitted to depress the domestic price to the world level of prices. The bill is so constructed that the control and disposition of agricultural surpluses may adequately be provided for. The bill contains provisions which are practically automatic in their operation to the end that overproduction may be checked. It provides for farmer-owned and farmer-controlled marketing organizations, and without doubt due consideration to existing cooperative associations will be given by the board. These provisions when in operation and intelligently administered will in the judgment of the studious friends of the farming industry produce the results desired. There are other agencies now in contemplation and in construction that will have a tendency when completed to assist in bringing about these results. One of the most important of these, in my judgment, is the Lakes-to-Gulf waterway system of transportation in connection with the proposed St. Lawrence system which, when in full operation, will bring the agricultural products of the Middle West 1,000 miles closer to tidewater, with a resultant benefit to agriculture approximating 6 to 9 cents per bushel upon its crops.

This fact has already been demonstrated by the barge-line operations in the Middle West which cover rail-river-rail transportation at the present time and which will ultimately develop into complete water transportation from some points and at least rail-river transportation for all points. Even under the present barge-line transportation the saving from Chicago to St. Paul, first class, is 15 cents per hundredweight, or \$3 per ton, when shipped by rail to Dubuque and thence by barge. A carload of books from Chicago to Fargo, N. Dak., recently moved by rail-river-rail at a saving of 11 cents per hundredweight, or \$2.20 per ton. This system of transportation when completed, as contemplated by the Government, will be an enormous saving to the farmer and will be a wonderful auxiliary assistance to the successful operation of the farm bill now under discussion. The Lakes-to-Gulf waterway will present a satisfactory avenue for water transportation between the great inland waterway systems of the country, the Mississippi and the Great Lakes. It will be adequate for barge traffic not only for present needs but for generations to come. The Illinois portion of the connected waterway passes through the center of one of the most productive sections of the United States, and at its eastern terminus lies the second city of the country, Chicago. Toward the south through the New Orleans gateway exports may be carried by water to all parts of the world, and on the return imports will be able to reach the heart of this great central valley and to the far shores of the Great Lakes.

The Seventieth Congress is certainly to be congratulated in giving birth to such a happy solution of a problem which has occupied the attention of Congress for the last 12 years and which now makes possible the fulfillment of platform and party pledges to the people of the great agricultural States.

LEAVE OF ABSENCE

Mr. ABERNETHY, by unanimous consent, was granted leave of absence, on account of attendance at the historical pageant at New Bern, N. C., as a member of the committee from the House of Representatives.

ADJOURNMENT

Mr. TILSON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 23 minutes p. m.) the House adjourned until to-morrow, Saturday, June 8, 1929, at 12 o'clock noon.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CRAMTON: A bill (H. R. 3753) to apply the pension laws to the Coast Guard; to the Committee on Pensions.

By Mr. EATON of Colorado: A bill (H. R. 3754) concerning applications for patent upon oil shale lands; to the Committee on the Public Lands.

By Mr. MARTIN: A bill (H. R. 3755) to recognize the heroic conduct, devotion to duty, and skill on the part of the officers and crew of the S. S. *Swiftscoot*, and for other purposes; to the Committee on the Merchant Marine and Fisheries.

By Mrs. OLDFIELD: A bill (H. R. 3756) to continue, during the fiscal year 1930, Federal aid in rehabilitating farm lands in the areas devastated by floods in 1927; to the Committee on Appropriations.

By Mr. EATON of Colorado. A bill (H. R. 3757) authorizing the Southern Ute and the Ute Mountain Bands of Ute Indians, located in Utah, Colorado, and New Mexico, to sue in the Court of Claims; to the Committee on Indian Affairs.

By Mr. SMITH of West Virginia: A bill (H. R. 3758) to authorize the State of West Virginia to acquire a bridge over the Kanawha River at or near Cabin Creek in said State and to acquire the right to construct a bridge over said river at or near St. Albans in said State; to the Committee on Interstate and Foreign Commerce.

By Mr. COLLINS: A bill (H. R. 3759) extending the franking privilege of members of the legislative branch of the Government; to the Committee on the Post Office and Post Roads.

By Mr. UNDERHILL: Joint resolution (H. J. Res. 100) making an appropriation for the acquisition of lands for an airport or airports for the National Capital and the District of Columbia; to the Committee on Appropriations.

By Mr. HOCH: Joint resolution (H. J. Res. 101) proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. CRAMTON: Resolution (H. Res. 51) proposing an investigation of the joint-stock land bank situation; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BLAND: A bill (H. R. 3760) granting a pension to Annie Wright; to the Committee on Invalid Pensions.

By Mr. BOWMAN: A bill (H. R. 3761) granting a pension to Marcellus W. Mace; to the Committee on Pensions.

Also, a bill (H. R. 3762) granting a pension to Francis M. Gibson; to the Committee on Pensions.

Also, a bill (H. R. 3763) granting a pension to Mary Jane Pennington; to the Committee on Invalid Pensions.

By Mr. CARTER of Wyoming: A bill (H. R. 3764) for the relief of Ruban W. Riley; to the Committee on Claims.

By Mr. EATON of Colorado: A bill (H. R. 3765) granting a pension to Cora Colbert Brewster; to the Committee on Invalid Pensions.

By Mr. ELLIS: A bill (H. R. 3766) granting a pension to Mary E. R. Bridges; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3767) granting a pension to Alice C. McCormick; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3768) granting a pension to Dewitt C. Hackley; to the Committee on Invalid Pensions.

By Mr. FISHER: A bill (H. R. 3769) for the relief of James W. Smith; to the Committee on Military Affairs.

By Mr. HALSEY: A bill (H. R. 3770) granting a pension to Mrs. M. R. Smith; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3771) granting a pension to Mrs. James Power; to the Committee on Invalid Pensions.

By Mr. JAMES (by request): A bill (H. R. 3772) for the relief of Thomas M. Richardson; to the Committee on Military Affairs.

By Mr. KENDALL of Pennsylvania: A bill (H. R. 3773) granting an increase of pension to Lavina Benson; to the Committee on Invalid Pensions.

By Mr. LOZIER: A bill (H. R. 3774) granting an increase of pension to Susan E. Johnson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3775) granting an increase of pension to Isaac N. Cook; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3776) granting an increase of pension to Jane Darling; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3777) granting an increase of pension to Eliza Musser; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3778) granting an increase of pension to Irene Young; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3779) granting an increase of pension to Lida Loten; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3780) granting an increase of pension to Martha E. Humphreys; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3781) granting a pension to Louisa C. Redding; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3782) granting a pension to Henry C. Lomax; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3783) for the relief of Elijah Frisby (borne also as Elisha Frisbee and Elijah Frisbie); to the Committee on Military Affairs.

By Mr. LUDLOW: A bill (H. R. 3784) granting a pension to Walter A. Chappell; to the Committee on Pensions.

By Mr. MOORE of Virginia: A bill (H. R. 3785) for the relief of Cornelia Claiborne; to the Committee on Foreign Affairs.

Also, a bill (H. R. 3786) for the relief of William Fair; to the Committee on Claims.

By Mr. RANSLEY: A bill (H. R. 3787) for the relief of Frank G. Krug; to the Committee on Military Affairs.

Also, a bill (H. R. 3788) for the relief of John F. Llewelyn (alias John Fluellen); to the Committee on Military Affairs.

Also, a bill (H. R. 3789) for the relief of Joseph M. McAleer; to the Committee on Military Affairs.

Also, a bill (H. R. 3790) for the relief of Christopher Cott; to the Committee on Military Affairs.

Also, a bill (H. R. 3791) for the relief of James McMahon; to the Committee on Naval Affairs.

By Mr. SHORT of Missouri: A bill (H. R. 3792) granting a pension to Sarah Lentz; to the Committee on Invalid Pensions.

By Mr. STOBBS: A bill (H. R. 3793) granting an increase of pension to Elvira L. Aldrich; to the Committee on Invalid Pensions.

By Mr. STRONG of Pennsylvania: A bill (H. R. 3794) granting a pension to Emma E. Frazier; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3795) granting an increase of pension to William J. Trevesick; to the Committee on Pensions.

By Mr. UNDERWOOD: A bill (H. R. 3796) granting an increase of pension to Ann Hazelton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3797) granting an increase of pension to Angeline Robison; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

630. By Mr. AYRES: Petition of officers and members of the Grand Army of the Republic, Department of Kansas, requesting consideration of bill to increase pensions of Civil War veterans and widows of Civil War veterans; to the Committee on Invalid Pensions.

631. By Mr. BOYLAN: Protest of the Maritime Association of New York, against House bill 121, fixing the liability of owners of vessels; to the Committee on the Merchant Marine and Fisheries.

632. Also, protest from Thurston Fruit Co., New York, against increased duties on perishable fresh vegetables; to the Committee on Ways and Means.

633. Also, protest of Foreign Tile Importers Association of America against increased duty on tiles; to the Committee on Ways and Means.

634. Also, communication from Wayne Lumber Co., New York, protesting against duty on hardwood lumber; to the Committee on Ways and Means.

635. Also, communication from Miss M. A. Lewis, New York City, protesting against increased tariff on upholstery and drapery fabrics, etc.; to the Committee on Ways and Means.

636. Also, communication from W. E. Miller, New York, protesting against increased duty on gelatines and glues; to the Committee on Ways and Means.

637. By Mr. DEMPSEY: Resolutions of the Buffalo City Council of New York, urging the location and construction of a hospital for disabled veterans in western New York and offering to consider application to furnish free site for said hospital; to the Committee on World War Veterans' Legislation.

638. By Mr. FITZPATRICK: Petition of the Mount Vernon Lodge, No. 905, Loyal Order of Moose, requesting the passage of Senate bill 476, granting increase in pensions to certain soldiers, sailors, and marines of the war with Spain, and Senate bill 477, to equalize and revise the rate of pensions paid certain soldiers, sailors, and marines of the Civil War, to certain widows, former widows of such soldiers, sailors, and marines granting pensions and increase of pensions in certain cases; to the Committee on Invalid Pensions.

639. By Mr. THURSTON: Petition adopted by the Shenandoah Chamber of Commerce, protesting against the placing of a tariff upon the importation of building materials; to the Committee on Ways and Means.

SENATE

SATURDAY, June 8, 1929

(Legislative day of Tuesday, June 4, 1929)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The VICE PRESIDENT. The Senate will receive a message from the House of Representatives.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Chaffee, one of its clerks, announced that the House had passed the

following bills and joint resolutions, in which it requested the concurrence of the Senate:

H. R. 3548. An act to continue, during the fiscal year 1930, Federal aid in rehabilitating farm lands in the areas devastated by floods in 1927;

H. R. 3600. An act to amend section 5 of an act entitled "An act authorizing Maynard D. Smith, his heirs, successors, and assigns, to construct, maintain, and operate a bridge across the St. Clair River at or near Port Huron, Mich.," approved March 2, 1920, and being Public Act No. 923, of the Seventieth Congress;

H. R. 3663. An act making appropriations for the payment of certain judgments rendered against the Government by various United States courts.

H. J. Res. 86. Joint resolution making an appropriation for the International Red Cross and prisoners of war conference at Geneva, Switzerland, in 1929;

H. J. Res. 88. Joint resolution making an additional appropriation for the extension to the post-office building at Corinth, Miss.;

H. J. Res. 91. Joint resolution to provide for the payment of certain expenses of the United States Pulaski Sesquicentennial Commission;

H. J. Res. 93. Joint resolution amending an appropriation for a consolidated school at Belcourt, within the Turtle Mountain Indian Reservation, N. Dak.; and

H. J. Res. 97. Joint resolution making appropriations toward carrying out the provisions of the act entitled "An act to provide for the establishment of a municipal center in the District of Columbia," approved February 28, 1929.

CALL OF THE ROLL

Mr. JONES. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.
The Chief Clerk called the roll, and the following Senators answered to their names:

Allen	Frazier	McKellar	Smith
Ashurst	George	McMaster	Smoot
Barkley	Gillett	McNary	Steiwer
Bingham	Glass	Metcalf	Swanson
Blease	Glenn	Moses	Thomas, Idaho
Borah	Goff	Norbeck	Thomas, Okla.
Bratton	Goldsborough	Norris	Townsend
Brookhart	Greene	Nye	Trammell
Broussard	Harris	Oddie	Tydings
Burton	Harrison	Overman	Tyson
Capper	Hastings	Patterson	Vandenberg
Caraway	Hatfield	Phipps	Wagner
Connally	Hawes	Pine	Walcott
Copeland	Hebert	Pittman	Walsh, Mass.
Couzens	Heflin	Ransdell	Warren
Cutting	Howell	Reed	Waterman
Dale	Johnson	Robinson, Ark.	Watson
Deneen	Jones	Sackett	Wheeler
Dill	Keyes	Schall	
Edge	King	Sheppard	
Fletcher	La Follette	Shortridge	

Mr. LA FOLLETTE. Mr. President, I desire to announce that my colleague the junior Senator from Wisconsin [Mr. BLAINE] is necessarily absent. I will let this announcement stand for the day.

Mr. BURTON. My colleague the senior Senator from Ohio [Mr. FESS] is detained from the Senate by illness. This announcement may stand for the day.

Mr. JONES. The senior Senator from Maine [Mr. HALE] is absent on account of illness.

Mr. WATSON. My colleague the junior Senator from Indiana [Mr. ROBINSON] is necessarily absent on a very important engagement.

Mr. EDGE. My colleague the junior Senator from New Jersey [Mr. KEAN] is absent for the day on official business.

The VICE PRESIDENT. Eighty-one Senators have answered to their names. A quorum is present.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SHEPPARD:

A bill (S. 1456) granting an increase of pension to Martha E. Daugherty (with accompanying papers); to the Committee on Pensions.

By Mr. SHORTRIDGE:

A bill (S. 1457) for the relief of D. W. Thickstun; to the Committee on Military Affairs.

By Mr. NORRIS:

A joint resolution (S. J. Res. 55) proposing an amendment to the Constitution of the United States abolishing the Electoral College; to the Committee on the Judiciary.